



Iron Ore Offshore Intraday Morning Technical

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Iron Ore Offshore December 22 Morning Technical Comment – 240 Min Chart



Support		Resistance		Current Price	Bull	Bear
S1	81.75	R1	89.01	86.05	RSI above 50	RSI below 50
S2	82.33	R2	91.62			
S3	79.19	R3	96.05			

Chart source Bloomberg

Synopsis - Intraday

- Price is above the 34-55 period EMA
- RSI is above 50 (60)
- Stochastic is overbought (at 70)
- Price is above the daily pivot point USD 81.75
- The futures moved higher in the Asian day session on further media speculation that there could be some easing of Covid zero restrictions. This pushed the currency higher before the open resulting in the futures opening with buy-side support. Price is above the 34-55 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 81.75 with the RSI at or below 53.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 79.19 will support a near-term bull argument, below this level the futures will target the USD 75.30 low. Likewise, Upside moves that fail at or below USD 89.01 will leave the futures vulnerable to further tests to the downside, above this level the Elliott wave cycle will have a neutral bias.
- The longer-term technical remains bearish with wave analysis suggesting upside moves are countertrend, making USD 89.01 the key resistance to follow. Continued speculation of restrictions easing is putting resistance levels under pressure. Buy the rumour and sell the fact is an old market adage; However, so is, there is no smoke without fire, suggesting technical sellers should remain cautious.

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