



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	90.35	91.20	RSI above 50	Stochastic overbought
S2	89.47			
S3	88.28			

Chart source Bloomberg

Synopsis - Intraday

- Price is above the 34-55 period EMA
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot point USD 87.78

Having moved lower in the Asian day and E.U. morning Sessions the futures went bid into the close on the back of the U.S. CPI numbers, price continued to move higher on the Asian open due to some easing of COVID restrictions, resulting in the futures trading to a high of USD 93.20. price is above the 34-55 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.

A close on the 4-hour candle below USD 87.78 with the RSI at or below 58 will mean price and momentum are aligned to the sell side. However, key support is above the daily pivot at USD 88.28, downside moves the hold at or above this level will support a near-term bull argument, if broken we target the USD 75.35 low.

The futures have traded above the 89.01 resistance level, meaning we now have a neutral bias. The 4-hour RSI is making new highs, but we are seeing a negative divergence on the 1-hour chart that will need to be monitored. Price is clearly supported by a weaker USD and the easing of some Covid restrictions. If we start seeing the futures trade back above and holding above USD 92.65 then the USD 96.05 high could come under pressure, if broken the intraday technical becomes bullish. However, if we fail to hold above the USD 92.65 level then there are reasons to be cautious, as this looks to be the most actively traded area over the last 5 years, making it a key level of interest going forward.

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