



Iron Ore Offshore Intraday Morning Technical

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Iron Ore Offshore Feb 23 Morning Technical Comment – 240 Min Chart



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|------|
| S1 | R1 | 120.15 | RSI above 50 | |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA
- RSI is above 50 (53)
- Stochastic is oversold
- Price is above daily pivot point USD 119.08
- Technically bullish but in a corrective phase yesterday, we noted that the RSI was above 50 whilst the stochastic was in oversold territory, providing the RSI could hold above 50 with the futures above the EMA support band, then momentum was vulnerable to a test to the upside. Likewise, if the RSI moved below 50 and price below the support band then support levels would be vulnerable. The RSI dipped briefly below 50 but price held above the 55-period EMA, resulting in a small move to the upside. Intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 119.08 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 63 will mean it is aligned to the buy side. Upside moves that fail at or below USD 123.53 will leave the futures vulnerable to further tests to the downside, above this level the technical will target the USD 126.10 – USD 126.55 resistance zone. Likewise, downside moves that hold at or above USD 113.46 will support a bull argument, below this level the technical will have a neutral bias.
- We remain technically bullish with Elliott wave analysis warning we could see another test to the upside; however, as this is a wave 5 of 5, we maintain our view that the futures are not considered a technical buy at this point, as the cycle can become less reliable in the closing stages, especially as we rejected the USD 126.55 resistance. Bullish, in a corrective phase but not considered a technical buy.

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