



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	116.35	R1	118.45	RSI above 50	Stochastic overbought
S2	115.62	R2	119.65		
S3	114.45	R3	121.65		

Synopsis - Intraday

Chart source Bloomberg

- Price is between the 34-55 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Price is above daily pivot point USD 116.35
- Technically bearish yesterday, the futures were moving higher on the back of a positive divergence with the RSI, for this reason we remained cautious on downside moves. If we did trade to a new low, it would mean we would have made three lows in quick succession, warning that the downside move is potentially exhausting. The futures continue to move higher with price between the EMA resistance band, the RSI is neutral at 50 with intraday price and momentum aligned to the buyside.
- A close on the 4-hour candle below USD 116.35 with the RSI at or below 43.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 115.62 will support a near-term bull argument, below this level the futures will target the USD 114.45 fractal support.
- Technically bearish with a neutral bias, the RSI is neutral at 50 with the stochastic in overbought territory. If the RSI moves below 50 then momentum will warn that the futures are vulnerable to a test to the downside. If the RSI can hold above 50 then the overbought stochastic is considered as less relevant. The futures are testing the EMA resistance band with momentum vulnerable to move lower; however, the upside move is deep, and on the back off a positive divergence, the MA on the RSI suggests that momentum is supported at this point. For this reason, we remain cautious on downside moves as resistance levels are looking vulnerable, above USD 118.45 the intraday technical is bullish.

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