



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	103.63	104.30		RSI below 50
S2	100.18			
S3	98.21			
	R1	108.78		
	R2	110.75		
	R3	113.47		

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (39)
- Stochastic is overbought
- Price is above daily pivot point USD 103.06
- Technically bearish with price and momentum aligned to the buyside yesterday, intraday Elliott wave analysis suggested we remained in a wave 3 extension, implying upside moves should be considered as countertrend. The MA on the RSI had turned higher, warning near-term momentum was supported, making USD 113.47 the key resistance level to follow. We no longer had a mean reversion gap with the averages. The futures have started to consolidate below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 103.63 with the RSI at or below 29 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 113.47 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with upside moves still considered as countertrend. We have conflicting momentum indicators here as the MA on the RSI implies that momentum is supported, but the RSI is below 50 with the stochastic in overbought territory, indicating we could see a move lower. The futures do look like they could be rolling to the downside, if we close below the last dominant upside candle on the 4-hour chart (USD 102.65) it will warn that the USD 99.90 fractal low could be tested and broken.

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