



# Iron Ore Offshore Intraday Morning Technical

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## Iron Ore Offshore July 23 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	111.96	R1	113.30	RSI above 50	
S2	111.02	R2	114.65		
S3	109.75	R3	119.70		

### Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (55)
- Stochastic is below 50
- Price is below daily pivot point USD 113.30
- Technically bullish based on price on the last report, the futures had moved lower on poor data, but were holding above the EMA support band due to an interest rate cut. Technically we were in divergence, warning we had the potential to see a momentum slowdown, suggesting caution on upside moves. We maintained our view that the move higher looked to be countertrend based on our Elliott wave analysis, but acknowledge that this is based on market psychology, which could change if more stimulus was forth coming. The futures remain supported with price holding above the 34 and 55 period EMA's whilst the RSI is above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour hour candle above USD 113.30 with the RSI at or above 61 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 109.75 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 107.05 is the technical bearish.
- Technically bullish based on price with the upside move looking like it could be a countertrend wave B within the Elliott wave cycle. The futures remain in divergence with price starting to consolidate, warning buyside momentum is starting to weaken. If the futures trade above the USD 114.65 high, it would suggest that we are seeing some form of wave extension, implying resistance levels could be vulnerable. We remain cautious on this upside move due to the negative divergence with the RSI.

Chart source Bloomberg

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