



Iron Ore Offshore Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

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



	Support	Resistance	Current Price	Bull	Bear
S1	107.05	R1	109.37		
S2	106.50	R2	110.52		RSI below 50
S3	104.51	R3	111.51		

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (40)
- Stochastic is overbought
- Price is above the daily pivot point USD 109.37
- Technically we were unchanged again yesterday in terms of price. We had a confliction going on between the momentum indicators, as the MA on the RSI suggested that there was near-term support. However, the RSI was neutral at 50 with the stochastic in overbought territory, if the RSI moved below 50 then momentum would warn that we could see a test to the downside; likewise, if the RSI held above 50 then the overbought stochastic would be considered as less relevant. We remained cautious on upside moves; however, until we saw the futures trade below and close below the USD 107.05 support, the futures were not considered a technical sell. We have seen a move lower this morning meaning price is below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 109.37 with the RSI at or above 50 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 111.58 will leave the futures vulnerable to further tests to the downside, above this level the USD 113.85 resistance is vulnerable.
- The futures are breaking to the downside, but we remain above the USD 107.05 support at this point, a close below that holds below this level will take the technical into bearish territory, meaning we have potentially entered a bearish Elliott wave C. the MA on the RSI is now turning lower, implying momentum is weak.

Chart source Bloomberg

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