



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	112.25	R1	114.35	RSI above 50	Stochastic overbought
S2	111.65	R2			
S3	110.78	R3			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (68)
- Stochastic is overbought
- Price is above the daily pivot point USD 110.08
- Technically we are bullish based on price yesterday due to the move above USD 105.65, warning we had the potential to continue to move higher. The RSI had made a new high alongside price, suggesting intraday downside moves will potentially be countertrend in the near-term, as the MA on the RSI also implies that momentum was supported. The longer-term technical is now unclear in terms of the Elliott wave cycle, it could be that we are looking at a larger 3-wave pattern within the wave B, or a cycle failure. What we can see is near-term momentum support on the intraday chart with the daily RSI above 50 whilst the stochastic is oversold. If the RSI held above 50, then momentum would warn that we have the potential to move higher from here. If the RSI moved below and stays below 50, then the oversold stochastic will be considered as less relevant. The futures continue to move higher with price now approaching the USD 114.65 high. We remain above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 110.08 with the RSI at or below 56.5 will mean price and momentum are aligned to the sell side. However, downside moves that hold at or above USD 110.78 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, it looks like that we will not get a negative divergence with the RSI above 114.65, whilst we make new highs (the RSI) within this current upside move. This would suggest that momentum remains supported with downside moves still considered as countertrend at this point, making USD 110.78 the key support to follow. The daily RSI is at 57, higher timeframe momentum continues to support this upside move.

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