



# Iron Ore Offshore Intraday Morning Technical

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



Support	Resistance	Current Price	Bull	Bear
S1	R1	116.50		RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (39)
- Stochastic is below 50
- Price is below the daily pivot point USD 119.87
- The holding of key support and the break in resistance on Friday meant that resistance levels were vulnerable. However, this did not fit with the current wave cycle that warned that we were vulnerable to a move lower. For this reason, we had a neutral bias, as we had warning signs that the current bull cycle looked to have potentially completed. If we did break to the upside, the futures would be in divergence, meaning they were not considered a technical buy. We followed this report with a second technical report on Friday afternoon that suggested caution on upside moves. The futures have seen a strong move lower, with price below the EMA support band, the RSI is below 50 with price and momentum aligned to the sell side. The technical although bullish, now has a neutral bias due to the depth of the pullback.
- A close on the 4-hour candle above USD 119.87 with the RSI at or above 49 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 119.60 will leave the futures vulnerable to further tests to the downside, above this level the USD 121.70 fractal resistance could come under pressure.
- Technically bullish with a neutral bias, the depth of the pullback means that the probability of the futures trading to a new high has decreased. We maintain our view that the futures are not considered a technical buy at this point.

Chart source Bloomberg