



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	129.65	R1	130.95	RSI above 50	
S2	127.57	R2			
S3	126.38	R3			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (63)
- Stochastic is at 50
- Price is above the daily pivot point USD 129.65
- We remained technically bullish having achieved our upside target yesterday. The MA on the RSI was flat with price and momentum conflicting, warning we were seeing signs of a momentum slowdown. A close on the 4-hour candle below USD 128.45 would be below the low of the last dominant bull candle, warning support levels would start to look vulnerable. A move below USD 124.75 would mean that the pullback would be considered as deep into the last bull wave, indicating that the probability of the futures trading to a new high would start to decrease. The futures sold lower on the back of the NDRC saying that they would supervision amid the market rally; however, we have found buyside between the moving averages, resulting in the futures trading higher. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are now conflicting.
- A close on the 4-hour candle below USD 129.65 with the RSI at or below 60 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 64.5 will mean it is aligned to the buyside. Downside moves that hold at or above 124.75 will support a bull argument, below this level the technical will have a neutral bias.
- The futures remain in a bullish trending environment at this point. The RSI is moving above its moving average; however, the MA is warning that momentum remains weak at this point. If we do see a move above USD 131.45 it will create a negative divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown and will need to be monitored. For this reason, we have a note of caution on upside breakouts. Key support remains unchanged at USD 124.75, a move below this level will warn that the probability of the futures trading to a new high will start to decrease.

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