



Iron Ore Offshore Intraday Morning Technical

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Iron Ore Offshore Jan 24 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear	
S1	136.20	R1	138.45	RSI above 50	Stochastic overbought	
S2	134.31	R2				141.94
S3	130.57	R3				146.28

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (65)
- Stochastic overbought
- Price is above the daily pivot point USD 136.20
- Technically bullish with the futures trading to new highs yesterday. The RSI was in divergence and in a resistance zone; not a sell signal, it warned that we had the potential to see a momentum slowdown which needed to be monitored. A move below USD 130.70 would imply that the intraday technical is bearish, whilst a move below USD 129.89 would suggest that the probability of there being an Elliott wave extension for this phase of the cycle would start to decrease. The MA on the RSI did warn that momentum was supported, but due to the divergence and RSI resistance, we remained cautious on upside moves. The futures continue to move higher with price above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 136.20 with the RSI at or below 63.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 130.57 will support a bull argument, below this level the technical will have a neutral bias.
- We remain bullish with price making new highs. However, we are seeing a pullback on the RSI from the resistance zone, warning momentum is showing signs of weakness. However, we will need to see price and momentum become aligned to the sell side for support levels to come under pressure. We remain cautious on upside moves due to the divergence in play; if, however, the divergence fails, it will warn that we could be looking at Elliott wave extension to the upside.

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