



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	133.48	R1	137.06	RSI above 50	Stochastic overbought
S2	132.09	R2	139.44		
S3	131.13	R3	143.50		

Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the daily pivot point USD 133.48
- We remained in bearish territory below the USD 137.06 resistance yesterday. The MA on the RSI continued to suggest that momentum was supported, meaning resistance levels were still vulnerable. If we did see a move above USD 137.06, then the probability of the futures trading to a new low will start to decrease. If we closed on the 4-hour candle below USD 132.09, it would warn that the USD 130.87 daily pivot could be rested and broken. The Upside move yesterday meant that the futures were above the 200-period intraday MA (USD 134.56), if we closed above and held above the average, it would further support a bull argument. Failure to hold above the average would warn that we could see support levels come under pressure. The futures traded to a high of USD 136.85 in the Asian evening session before seeing a small but late sell off in the Asian day session. We remain above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 133.48 with the RSI at or below 53 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 137.06 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias, meaning the probability of the futures trading to a new low will start to decrease. Likewise, downside moves that hold at or above USD 128.73 will support a near-term bull argument, below this level the USD 124.55 fractal low will start to look vulnerable.
- We continue to hold in bearish territory, below the USD 137.06 resistance. The MA on the RSI does suggest that momentum is still supported with the futures still above the 200-period MA (USD 134.63). If we close back below the average and price and momentum become aligned to the sell side, then we could see support levels come under pressure. The Upside rejection is more than just the Fibonacci resistance, we have highlighted on the chart the support zone between late Dec and early Jan that is now acting as resistance. Momentum is supported; however, we now have a note of caution, as the futures are respecting the resistance highlighted.

Chart source Bloomberg

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