



# Iron Ore Offshore Intraday Morning Technical

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## Iron Ore Offshore March 24 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	117.10	R1	120.48	Stochastic oversold	RSI below 50
S2	115.15	R2	117.55		
S3	112.91	R3	125.45		

### Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is above the daily pivot point USD 117.10
- Technically bearish yesterday, we were seeing some for a wave extension to the downside, meaning we maintain our view that upside moves should still be considered as countertrend. The RSI was divergent with price, not a buy signal, it warned that we had the potential to see a momentum slow, which needed to be monitored. The futures traded to a low of USD 113.60 before finding bid support on the back of the divergence. We remain below the EMA resistance band with the RSI below 50, intraday price and momentum are now aligned to the buyside.
- A close on the 4-hour candle below USD 117.10 with the RSI at or below 34.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 125.48 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with price moving higher on the back of the divergence, we maintain our view that upside moves look like they could be countertrend based on the Elliott wave cycle, making USD 125.48 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low will start to decrease. Although moving higher, the move is not yet deep enough to confirm it is the corrective wave 4 that we are looking for. If we trade lower from here, it indicates further wave 3 extension at this point.