



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	114.38	R1	115.50		RSI below 50	
S2	111.95	R2				121.78
S3	110.40	R3				124.92

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (43)
- Stochastic is below 50
- Price is above the daily pivot point USD 114.38
- Technically bearish on Friday, the futures were yet to trade below the USD 113.60 fractal low, meaning upside moves were still considered as countertrend. We noted that if/when the support was broken, intraday Elliott wave analysis would suggest that we had a potential downside target at USD 107.67; however, a new low would create positive divergence with the RSI. Not a buy signal, it warned that we had the potential to see a momentum slowdown, which would need to be monitored. The futures traded to a low of USD 111.95 before finding bid support in the Asian day session. We are below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 114.38 with the RSI at or above 37.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 124.92 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures have traded to a new low, resulting in price moving higher on a positive divergence. However, this has created a wave extension, meaning upside moves should still be considered as countertrend, making USD 124.92 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. Due to the divergence, we are cautious on downside moves at this point.

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