



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	111.95	R1	116.04	Stochastic oversold	RSI below 50
S2	111.57	R2	119.46		
S3	109.45	R3	121.78		

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (44)
- Stochastic is oversold
- Price is below the daily pivot point USD 116.04
- Technically bearish with upside moves considered as countertrend yesterday. The MA on the RSI was implying that momentum was supported with price trading above the Weekly pivot level (USD 115.60). If we closed above this level on the daily chart, it would indicate that buy-side momentum was increasing, meaning resistance levels would start to look vulnerable. Conversely, if closed back below USD 115.60 it will warn that there continues to be selling pressure in the market. I ignored the high tick at USD 126.80. The futures closed above the weekly pivot level, but the move has failed to hold, resulting in a small move lower. We are below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 116.14 with the RSI at or above 47.5 will mean price and momentum are aligned to the buy-side 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.
- Unchanged on the technical today. Intraday Elliott wave analysis continues to suggest that upside moves look to be countertrend. If we do trade below the USD 111.95 level, then we have a potential downside target at USD 107.333. As previously noted, a new low will create a positive divergence with the RSI, not a buy signal it will need to be monitored in case we see a momentum slowdown. We are currently below the weekly pivot level on the intraday; however, this will change on the SGX close so we will need to wait for the afternoon report to evaluate where we stand against this.

Chart source Bloomberg