



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 | 106.27 | R1 | 109.70 | 108.75 | Stochastic oversold | RSI below 50 |
| S2 | 103.53 | R2 | 111.04 | | | |
| S3 | 99.63 | R3 | 114.13 | | | |

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (36)
- Stochastic is oversold
- Price is below the daily pivot point USD 109.70
- Technically bearish yesterday, the futures had traded below our initial downside target of USD 107.33; however, we adjusted our Fibonacci support levels having produced a higher timeframe (daily technical) on Friday the 8th, meaning we had a potential downside target at USD 103.53. We noted that there was a strong possibility that we could be looking at further wave extension within the existing cycle. We noted in the daily report that there could be a larger bear cycle in play, the alternative cycle was highlighted on the technical on 08/03. Having seen a strong breakdown in the futures in the Asian day session on Monday, the RSI remained in divergence with the RSI (now a minor divergence) which needed to be monitored; however, as noted previously, we maintained our view that upside moves should be considered as countertrend. If we did trade above the USD 114.13 resistance, then the probability of the futures trading to a new low would start to decrease. The futures have started to find light bid support after yesterday's move lower, we remain below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 109.70 with the RSI at or above 41 will mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 114.13 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, lower timeframe Elliot wave analysis is warning that upside moves look like they could be countertrend in the near-term, making USD 114.13 the key resistance. If broken, then the probability of the futures trading to a new low within this phase of the cycle will start to decrease; whilst a move above USD 116.45 will mean that the intraday technical is bullish based on price. However, upside moves that fail at or below USD 126.60 will warn that there is a larger bearish Elliott wave cycle in play (see daily timeframe technical from the 08/03/24).

Chart source Bloomberg