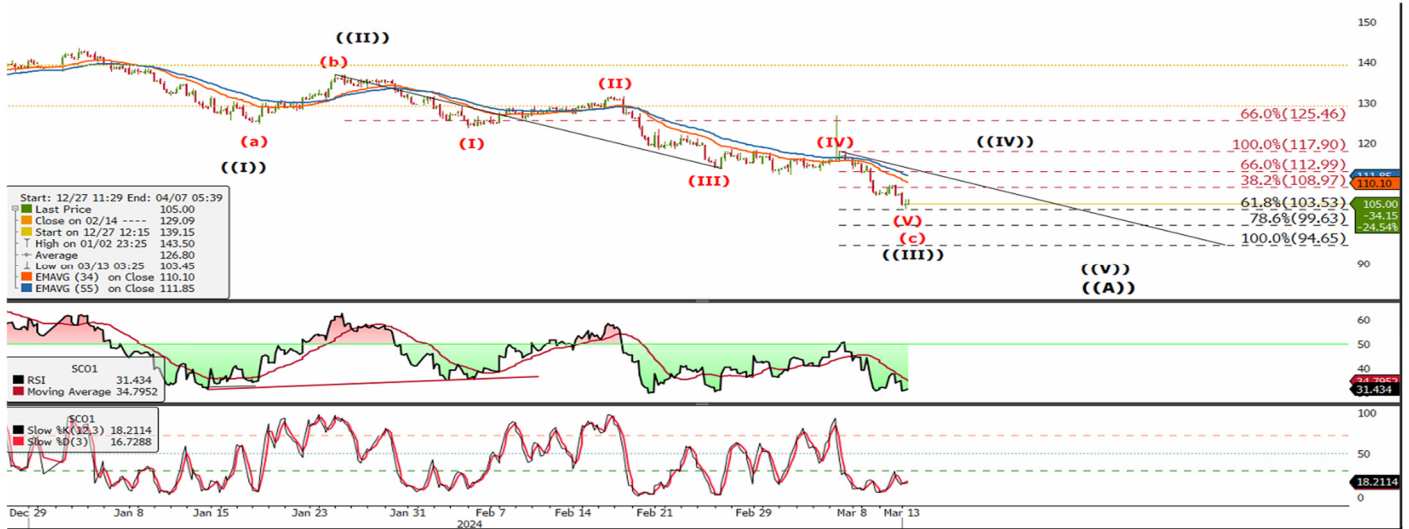




Iron Ore Offshore Intraday Morning Technical

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



Support	Resistance	Current Price	Bull	Bear
S1	103.53	105.00	Stochastic oversold	RSI below 50
S2	99.63			
S3	94.65			
	R1	105.05		
	R2	108.57		
	R3	112.99		

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below the daily pivot point USD 108.57
- Technically bearish yesterday, the lower timeframe Elliott wave analysis warned that upside moves look like they could be counter-trend 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). The futures sold lower with price testing our downside target at USD 103.53. We remain below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 108.57 with the RSI at or above 37 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 112.99 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- This technical could be about to get very complex, as the path is becoming unclear. In theory, we have an A – B corrective move, followed by a five-wave pattern lower, this is C (This cycle is highlighted in red on the chart). This suggests that the technical is nearing exhaustion point, meaning the corrective phase (bear) could soon be over, suggesting market bears should now be cautious. However, there is an alternative much larger cycle highlighted in black, that will come into play if an upside move fails to trade above the USD 125.46 level and is followed by the futures trading to a new low. If this happens, then what we have seen so far would be part of a much larger timeframe wave A. We are not suggesting this could happen, but it is a possibility that we wanted to highlight now, rather than later. The reason we are highlighting it is because aggregate open interest has been increasing since 08/02/24, implying the market has built and continues to build a short position. In the very near-term, we are still vulnerable to a small move lower, but we are in divergence on multiple time frames with the futures nearing an exhaustion point, meaning we are cautious on downside moves at these levels.

Chart source Bloomberg

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