



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	R1	109.90	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is above the daily pivot point USD 105.67
- Technically bearish yesterday, the move lower in the Asian day had held above the weekly pivot level (USD 104.37) whilst the MA on the RSI continued to suggest that momentum is supported. However, our Elliott wave analysis implied that the upside move looked to be countertrend. As noted yesterday, if we did trade above the USD 111.32 resistance, then the probability of the futures trading to a new low within this phase of the cycle will start to decrease. However, due to the wave extension, there looks to be a larger bearish cycle in play, meaning key resistance on the higher timeframe was at USD 123.27. the futures have moved higher on the back of the weaker dollar yesterday resulting in price trading above the EMA resistance band. The RSI is above 50 with price and momentum aligned to the buyside.
- A close on the 4-hour candle below USD 105.67 with the RSI at or below 45 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 111.32 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 continue to move higher with the MA on the RSI indicating that momentum is still supported. Intraday Elliott wave analysis is suggesting that the upside moves looks to be countertrend, making USD 111.32 the key near-term resistance to follow. If broken, it will warn that we could be entering a higher timeframe Elliott wave 4, implying there could be further upside in the near-term. Key resistance to follow if broken will then move up to USD 123.27. The RSI has made a new high having broken above the 50 level, warning support levels could hold if tested in the near-term, warning the USD 111.32 resistance could potentially be tested and broken.

Chart source Bloomberg