



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	101.59	R1	108.47	Stochastic oversold	RSI below 50
S2	97.00	R2	111.32		
S3	94.65	R3	113.76		

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (42)
- Stochastic oversold
- Price is below the daily pivot point USD 108.47
- Technically bearish yesterday, the consolidation phase looked like it is creating a symmetrical triangle, implying there was a neutral bias in the market. If we closed above and held above the resistance line, then the USD 111.32 level could come under pressure. If broken, it would warn that we could be entering a higher timeframe corrective move. Likewise, a close to the downside would suggest that support levels could come under pressure. The RSI was on its MA which had started to flatten, if we closed on the daily chart below the weekly pivot level (USD 105.18), it would warn that sell side pressure was increasing. Elliott wave analysis continues to suggest that upside moves look like they could be countertrend. The futures have broken the symmetrical triangle to the downside, resulting in price moving 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 108.47 with the RSI at or above 53.5 will mean price and momentum are aligned to the buyside. 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.
- The futures are now moving lower in line with our Elliott wave analysis, suggesting support levels are looking vulnerable. The MA on the RSI is now starting to turn lower with price below the weekly pivot level (USD 105.18). If we close on the daily candle below the weekly pivot, then it will imply that sell side pressure is increase. We maintain our view that upside moves look to be countertrend at this point. If we test but hold above the USD 101.59 level, it will support a near-term buyer's argument; however, if broken, then the USD 97.00 fractal low has a higher probability of being tested and broken. the downside breakout is suggesting support levels are vulnerable.

Chart source Bloomberg