



# Iron Ore Offshore Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

## Iron Ore Offshore May 24 Morning Technical Comment – 240 Min Chart



Support	Resistance	Current Price	Bull	Bear
S1	R1	116.45	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot point USD 113.80
- Technically bullish yesterday, the Elliott wave cycle had extended to the upside, meaning we had the potential to trade to a high of USD 119.57 within this phase of the cycle. We noted that if we stayed elevated for long enough it would increase the candle size, meaning we could be vulnerable to further wave extensions, as this would affect the lower timeframe oscillators. The MA on the RSI was flat, but the RSI was making new highs, warning that intraday downside moves have the potential to be countertrend in the near-term. The futures traded to a high of USD 117.50 before trading back down to USD 115.25. the following intraday upside move has failed to a new high. We remain elevated above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 113.80 with the RSI at or below 61 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 127.15 will warn that there is potentially a larger, bearish Elliott wave cycle in play. Likewise, downside moves that hold at or above USD 102.44 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, lower timeframe oscillators (RSI) are in divergence, not a sell signal it is a warning that we could see a momentum slowdown, which will need to be monitored. The technical is in balance here, the futures are no longer considered a technical buy at these levels, warning we are vulnerable to a pullback. If we remain elevated there is still a chance that the wave cycle could extend, as the lower timeframe oscillator cross is marginal. Based on the technical in front to us, the divergence is suggesting caution. Downside moves that hold at or above USD 102.91 will warn that there is potentially a larger bull cycle in play.

Chart source Bloomberg