



# 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	112.53	R1	116.63	RSI above 50	
S2	109.06	R2	119.45		
S3	106.45	R3	125.96		

### Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- Price is below the daily pivot point USD 116.63
- We remained technically bullish with the futures continuing to consolidate yesterday. Intraday Elliott wave analysis implied that we had a potential upside target at USD 125.96 for this phase of the cycle. Due to the divergence in play, we remained cautious on upside moves at this point, as it warned that we could see a momentum slowdown. Key support was unchanged at USD 112.53, below this level the probability of the futures trading to a new high would start to decrease.
- The futures had a very small move lower with price starting to consolidate below the EMA support band. The RSI is above 50 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 116.63 with the RSI at or above 55.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 112.53 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we did see the futures close below the weekly pivot level yesterday (USD 116.77), implying sell side pressure is increasing. However, there has been no follow-through with price moving sideways again. The MA on the RSI is indicating that momentum remains weak, if the RSI rejects the average, it will warn we could see another move lower. Likewise, if the RSI starts to move back above the average and price closes above the daily pivot level, then market sellers should act with caution; as buyside pressure will seem to be increasing whilst the RSI is above 50 with the stochastic in oversold territory. Elliott wave analysis continues to have a potential upside target at USD 125.96 with key support unchanged at USD 112.53. We maintain a cautious view on upside moves due to the divergence in play.

Chart source Bloomberg