



# Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	112.53	R1	116.30		RSI below 50
S2	110.70	R2	118.73		
S3	107.78	R3	120.15		

### Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (46)
- Stochastic is below 50
- Price is below the daily pivot point USD 116.30
- Technically bullish but in a corrective phase yesterday, the MA on the RSI warned that momentum was weakening. The RSI had broken support, suggesting intraday upside moves had the potential to be countertrend. The downside move meant a double top had formed with price moving lower on the back of the original divergence; however, this was also a rejection of the daily 200-period MA, indicating higher timeframe market sellers were defending the average. We were below the weekly pivot level (USD 116.58), if we closed below this level on the daily technical, it would warn that support levels could come under further pressure. The technical was weakening, warning we could be entering a higher timeframe corrective phase.
- The futures closed below the weekly pivot level but found buy-side support in the Asian evening session. We reiterated our caution on upside moves in the close report last night. The upside move has failed to hold with price selling lower in the Asian day session. We are below the 34-55 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 116.30 with the RSI at or above 54 will mean price and momentum are aligned to the buy-side. 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, the futures remain in a corrective phase with the MA on the RSI warning that momentum remains weak. With price moving lower on the back of the negative divergence whilst below the weekly pivot level, warning that the USD 112.53 support remains vulnerable. If broken, the probability of the futures trading to a new high will start to decrease. We remain cautious on upside moves at this point.

Chart source Bloomberg

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