



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	115.87	R1	119.45	RSI above 50	Stochastic overbought
S2	112.53	R2	120.15		
S3	110.70	R3	127.15		

Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot point USD 115.87
- Technically bullish yesterday, the futures were moving higher off the 200-period MA support. The MA on the RSI was flat, implying momentum remained neutral; however, price was testing the weekly pivot level at USD 116.68. A close on the daily candle above this level would indicate that buy-side pressure was increased, warning we could test the USD 120.15 fractal high. Above this level the futures would be in divergence with the RSI, not a sell signal it warned that we had the potential to see a momentum slowdown, implying caution on upside breakouts. We had held a benchmark average, warning there was underlying support in the market, meaning resistance was starting to look vulnerable in the near-term, making the USD 116.68 the key level to follow. Failure to close above this level will warn the upside move could stall.
- The futures are above the weekly pivot level but failed to produce a close above it yesterday. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 115.87 with the RSI at or below 46.5 will mean price and momentum are aligned to the sell 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, having held MA support we have seen another stimulus package in the housing sector that is keeping the futures supported. However, the RSI is now in divergence on the 1-hour chart due to the move higher, whilst above USD 120.15 the 4-hour will be divergence. For this reason, we remain cautious on upside moves at this point.

Chart source Bloomberg