



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	119.18	R1	121.80	119.80	RSI above 50
S2	118.03	R2	122.60		
S3	116.47	R3	125.52		

Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (54)
- Stochastic is oversold
- Price is below the daily pivot point USD 121.80
- Technically bullish yesterday, the MA on the RSI continued to suggest that momentum was supported. We were yet to see an intraday pullback, meaning we maintained our view that downside moves looked like they would be counter-trend. The upside move was looking like we were seeing an Elliott wave 5 extension, meaning we were revising our potential upside target to USD 128.45, from USD 125.96. Downside moves below USD 116.47 would warn that the probability of the futures trading to a new high had start to decrease.
- The futures have now entered a corrective phase with price testing the top of the Fibonacci and EMA support zone. The RSI is above 50 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 120.02 with the RSI at or above 62.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 116.47 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is implying that momentum has started to weaken. However, this is in conflict, as the RSI is above 50 whilst the stochastic is oversold, suggesting we could move higher. The longer-term divergence remains in place, implying caution on upside moves above USD 122.90. As noted yesterday, the RSI had broken near-term resistance, indicating we could see one more test to the upside within this phase of the cycle. If we do trade below USD 116.47, then the probability of the futures trading to a new high will start to decrease.

Chart source Bloomberg

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