



Iron Ore Offshore Intraday Morning Technical

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

Iron Ore Offshore July 24 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	107.33	R1	112.49		
S2	104.75	R2	114.48		RSI below 50
S3	101.29	R3	117.17		

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (37)
- Stochastic is above 50
- Price is above the daily pivot point USD 107.33
- Technically bearish yesterday, we noted that the small upside move into the close previously had not been deep enough to be the move that we were looking for. The MA on the RSI indicated that momentum remained weak; however, the new low had created a minor divergence with the RSI. Not a buy signal, it warned that sell side momentum was slowing down, which needed to be monitored. We maintained our view based on lower timeframe Elliott wave analysis that upside moves should be considered as countertrend.
- The futures have found bid support on the divergence highlighted yesterday, resulting in a small move higher. We remain below the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 107.33 with the RSI at or below 29.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 104.75 will imply that there could be a higher timeframe bullish Elliott wave cycle in play. If broken, then the USD 95.40 fractal low will start to look vulnerable. Likewise, upside moves that fail at or below the USD 117.17 level will leave the futures vulnerable to further tests to the downside.
- Technically bearish, The MA on the RSI is now flat, implying momentum is neutral. The upside move is now nearing the EMA resistance band, warning we could see market sellers looting to defend the averages; however, if we do break to the upside, Key resistance is at USD 117.17. If broken, then the probability of the futures trading to a new low will start to decrease. As previously noted, we maintain our view based on lower timeframe Elliott wave analysis that the current move higher looks like it will be countertrend.

Chart source Bloomberg