



# Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	107.73	R1	109.52	Stochastic oversold	
S2	106.48	R2	111.65		
S3	104.35	R3	114.17		

### Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is at 50 (50)
- Stochastic is oversold
- Price is below the daily pivot point USD 109.52
- Technically bullish with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease. The MA on the RSI was moving lower, implying momentum was weak, suggesting support levels remained vulnerable. The futures had rejected the USD 115.78 resistance and traded below the USD 107.73 support, warning that there was potentially a larger, bearish Elliott wave cycle in play, making USD 111.97 the key resistance to follow.
- The futures sold to a low of USD 106.50; however, we have seen bid support into the close of the Asian day session, meaning price is back above the intraday 200-period MA (USD 108.22). We are below the EMA resistance band with the RSI neutral at 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 109.52 with the RSI at or above 56 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 111.65 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Technically bearish, the MA on the RSI is implying that momentum remains weak at this point. As noted yesterday, the rejection of the USD 115.78 resistance alongside the move below the USD 107.73 support is suggesting that support levels are vulnerable. However, the upside move in the Asian day session means that the futures are above the 200-period MA, if we close above and hold above the average, then the USD 111.65 resistance could come under pressure. Likewise, a close back below the average will warn that we should in theory see further downside. The depth of the pullback is suggesting that upside moves should be countertrend; however, we need to see the futures back below the longer-term MA for downside continuation, key resistance to follow is at USD 111.65, if broken, the technical will be back in bullish territory.

Chart source Bloomberg