



# 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	103.82	R1	108.52	Stochastic oversold	RSI below 50
S2	101.95	R2	109.62		
S3	101.35	R3	111.12		

### Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot point USD 108.55
- Technically bearish yesterday, the MA on the RSI implied that momentum remained weak. As noted previously, the rejection of the USD 115.78 resistance alongside the move below the USD 107.73 support suggested that support levels were vulnerable. However, the upside move in the Asian day session meant that the futures were above the 200-period MA, if we closed above and held above the average, then the USD 111.65 resistance could come under pressure. Likewise, a close back below the average would warn that we should in theory see further downside. The depth of the pullback was suggesting that upside moves should be countertrend; however, we needed 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.
- The futures moved higher but failed to hold. As noted in the close report yesterday, we were trading on the 200-period MA into the close yesterday, meaning we were at an inflection point; however, price action warned we would move lower again today. We have seen further moves to the downside with price below the 200-period MA, we are now below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 108.55 with the RSI at or above 50.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 111.12 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical bearish, the MA on the RSI is implying that momentum remains weak, whilst the move below the 200-period MA (USD 107.87) has further weakened the technical. The RSI is making new lows (on our multiple timeframes), implying intraday upside moves should be considered as countertrend at this point.

Chart source Bloomberg