



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	R1	105.30		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (42)
- Stochastic is below 50
- Price is above the daily pivot point USD 107.52
- Unchanged on the technical last week, we remained technically bearish with the MA on the RSI still flat, implying momentum was neutral. We were trading back above the 200-period MA (USD 107.45), if we held above the average, it would leave the USD 111.12 resistance vulnerable; if broken, then the probability of the futures trading to a new low would start to decrease. Conversely, a close below that held below the average would warn that support levels could come under further pressure. Based on the RSI making new lows on multiple timeframes previously, we remained cautious on upside moves. However, we continued to trade on/around the 200-period average meaning the technical was still at an inflection point.
- Having spent the last two sessions trading around the 200-period MA, we have now broken to the downside. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 107.52 with the RSI at or above 51 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 108.16 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is flat implying momentum is neutral. However, having initially rejected the USD 115.78 resistance, followed by the rejection of the USD 111.12 level, support levels are now vulnerable. Lower timeframe Elliott wave analysis would suggest that intraday upside moves now look like they should be considered as countertrend.

Chart source Bloomberg

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