



Iron Ore Offshore Intraday Morning Technical

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

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



	Support	Resistance	Current Price	Bull	Bear	
S1	105.08	R1	104.55		RSI below 50	
S2	103.82	R2				108.53
S3	101.35	R3				110.37

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (41)
- Stochastic is below 50
- Price is below the daily pivot point USD 105.08
- Unchanged on the technical yesterday, the MA on the RSI indicated that momentum remained weak, whilst the intraday Elliott wave cycle on the lower timeframe continued to warn that upside moves look like they could be countertrend, making USD 108.09 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low had started to decrease.
- The futures sold to a low of USD 102.75 before finding bid support. We remain below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 105.08 with the RSI at or above 45.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 110.37 will warn that there is potentially a larger, bearish Elliott wave cycle in play (Fib levels revised higher in line with the larger wave cycle, as price is showing signs of exhaustion).
- The technical is bearish with the MA on the RSI implying that momentum remains weak. However, the new low has created a positive divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown which will need to be monitored. We now have two bullish intraday rejection candles and a positive divergence, meaning the futures are no longer a technical sell at these levels. This also brings into question upside moves being countertrend, making USD 110.37 the key resistance to follow.