



# 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	101.00	R1	103.40		RSI below 50	
S2	99.80	R2				107.16
S3	98.08	R3				108.58

### Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (39)
- Stochastic is above 50
- Price is below the daily pivot point USD 104.18
- Technically bearish on Friday with the MA on the RSI implying that momentum remained weak. However, the new low had created a positive divergence with the RSI, not a buy signal, it warned that we could see a momentum slowdown which needed to be monitored. We had two bullish intraday rejection candles and a positive divergence, meaning the futures were no longer a technical sell at these levels. This also brought into question upside moves being countertrend, making USD 110.37 the key resistance to follow.
- Having seen a small move higher, the futures are selling lower again but remain above the USD 102.75 fractal low. We are 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 104.18 with the RSI at or above 42.5 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.
- Technically bearish, downside moves below USD 102.75 will warn that the USD 101.95 fractal low from the 25/06 could be tested and broken. However, a new low below USD 102.75 will create another lower timeframe divergence with the RSI, whilst below USD 101.95 the futures will create a longer-term divergence on the 4-hour chart. For this reason, we remain cautious on downside breakouts, as the technical would suggest the futures are not considered a sell at these levels.

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