



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 | 100.12 | R1 | 103.38 | | RSI below 50 |
| S2 | 98.28 | R2 | 104.67 | | |
| S3 | 96.12 | R3 | 106.42 | | |

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (45)
- Stochastic is overbought
- Price is below the daily pivot point USD 101.12
- Technically bearish yesterday, the upside move previously had not been deep enough to be the Elliott wave pullback that we were looking for, meaning we maintain our view that upside moves should be considered as countertrend. The futures were back in divergence with the RSI, implying caution on downside moves. We maintain our view that the longer-term fractal support at USD 95.40 looks vulnerable.
- The futures have moved higher on the divergence, confirming we are on an Elliott wave 4 on a lower timeframe. We are between the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 101.12 with the RSI at or below 37 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 106.42 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 implying that we have light momentum support at this point. The upside move yesterday means we are testing the Fibonacci and EMA resistance with intraday Elliott wave analysis suggesting that upside moves should be considered as countertrend. However, it was a strong bull candle that has momentum support, warning we could still move higher within this corrective phase, making USD 106.42 the key level to follow. If broken, then the probability of the futures trading to a new low will start to decrease.

Chart source Bloomberg