



Iron Ore Offshore Intraday Morning Technical

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



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|------|
| S1 | 99.79 | R1 | 101.44 | RSI above 50 | |
| S2 | 98.93 | R2 | 102.69 | | |
| S3 | 97.75 | R3 | 105.75 | | |

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (57)
- Stochastic is above 50
- Price is above the daily pivot point USD 101.44
- Technically bearish with a neutral bias yesterday, the probability of the futures trading to a new low had started to decrease. The MA on the RSI indicated that we had light momentum support; however, we had an intraday rejection candle warning we are seeing resistance at higher levels. If the 4-hour candle closed below USD 101.10 it would warn that we could be about to enter a corrective phase, making USD 97.75 the key support to follow. We had a note of caution on upside moves at this point due to the rejection candle.
- The futures have seen a small move lower; however, we remain above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 101.44 with the RSI at or below 55 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean that it is aligned to the buy side. Downside moves that hold at or above 97.75 will support a near-term bull argument, below this level the USD 91.25 and USD 91.45 fractal support levels will start to look vulnerable.
- We remain bearish with a neutral bias, meaning the probability of the futures trading to a new low has started to decrease. The MA on the RSI is implying that momentum remains supported at this point. However, we have a note of caution here; if we look on the daily chart, we can see that the RSI has broken resistance, but price has not. This is known as a hidden divergence and warns that price action is weaker than momentum, warning we could see support levels come under pressure. If we close below and hold below the 200-period MA (USD 99.83), then we could see the USD 97.75 support come under pressure. If broken, the technical will be back in bearish territory. Some conflicts on this technical, we do have a neutral bias, but the hidden divergence is implying caution on upside moves.

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