



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	89.70	R1	92.07	Stochastic oversold	RSI below 50
S2	88.48	R2	93.32		
S3	86.75	R3	94.85		

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Price is below the daily pivot point USD 93.13
- Technically bearish yesterday, the upside move on the open looked to have been the upside countertrend move that we had been looking for, the subsequent low that followed has created another positive divergence with the RSI. Not a buy signal, it warned that we could see a momentum slowdown, which would need to be monitored. Lower timeframe Elliott wave analysis suggested that we had a potential downside target as low as USD 88.48. The caveat, if we achieved our downside target, the wave cycle would probably have seen an Elliott wave extension, meaning upside moves will once again be considered as countertrend.
- The futures have seen another small move lower, meaning price remains 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 93.13 with the RSI at or above 37.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 93.32 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 starting to flatten, implying sell side momentum is slowing. The small move lower in the Asian day session 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 are a cautious bear due to the divergence in play, as noted yesterday, we have a potential downside target at USD 88.48 for this phase of the cycle; however, if achieved the cycle will need to be re-evaluated, as there is a chance that it may cause a wave extension.

Chart source Bloomberg

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