



# 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	91.75		RSI below 50
S2	88.48	R2			
S3	86.75	R3			

### Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (40)
- Stochastic is below 50
- Price is below the daily pivot point USD 92.02
- Technically bearish on Friday, the futures were finding bid support on the back of a positive divergence with the RSI, implying caution on downside moves at these levels. Lower timeframe Elliott wave analysis suggested that we had a potential downside target as low as USD 88.48. However, as noted previously, if achieved the wave cycle would probably see an Elliott wave extension, meaning upside moves will once again be considered as countertrend.
- The futures traded to a low of USD 89.60; however, the move has failed to hold due to the divergence in play, resulting in price moving back to Friday morning's levels. We are below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 92.02 with the RSI at or below 34.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 93.07 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 momentum is supported. Downside moves are failing to hold due to the divergence in play, meaning we remain cautious on moves lower at these levels. Above USD 94.85 will signal that the intraday technical is bullish; however, we have seen an Elliott wave extension to the downside on the higher timeframe, meaning upside moves are considered as countertrend, making USD 98.44 the key resistance to follow.

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