



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	88.85	R1	92.40		RSI below 50	
S2	87.27	R2				95.55
S3	85.02	R3				96.30

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (46)
- Stochastic is above 50
- Price is above the daily pivot point USD 91.83
- Technically bearish yesterday, the futures were moving lower having rejected the USD 95.40 resistance. Intraday Elliott wave analysis indicated that upside moves looked like they could be countertrend, making USD 98.44 the key resistance to follow. A move above this level would mean that the probability of the futures trading to a new low would start to decrease. The MA on the RSI was starting to turn to the downside, implying sell side momentum was starting to weaken, warning the USD 89.60 fractal low was looking vulnerable.
- The futures found bid support in the Asian day session, resulting in a small move higher. We remain below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 91.83 with the RSI at or above 50 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean that it is aligned to the sell side. Upside moves that fail at or below USD 98.44 will leave the futures vulnerable to further tests to the downside, above this level the longer-term Elliott wave cycle will have a neutral bias.
- Technically bearish, the upside move yesterday has created a small trend support line, A close below that holds below USD 92.38 will warn that the USD 89.60 fractal low could be tested and broken. However, the futures have seen a small move higher with the daily RSI holding around the 40 level. This is a warning that there could be underlying support in the market. If we close on the daily candle above USD 93.20 (the high of yesterday's low candle) it will indicate buy side pressure is increasing, warning that the USD 95.55 fractal high could be tested and broken. If we do trade above the USD 98.44 level, it will indicate that the probability of the futures trading to a new low has started to increase, meaning there is a higher chance of the bearish Elliott wave cycle failing.

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