



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	91.25	92.55		RSI below 50
S2	88.85			
S3	87.27			

Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is below 50 (49)
- Stochastic is above 50
- Price is above the daily pivot point USD 91.25
- Technically bearish previously, the upside move on Monday had created a small trend support line, we noted that a close below that held below USD 92.38 would warn that the USD 89.60 fractal low could be tested and broken. However, the futures had seen a small move higher with the daily RSI holding around the 40 level. This warned that there could be underlying support in the market. If we closed on the daily candle above USD 93.20 (the high of the previous day's low candle) it would indicate buyside pressure was increasing, warning that the USD 95.55 fractal high could be tested and broken. If we did trade above the USD 98.44 level, it would indicate that the probability of the futures trading to a new low had started to increase, meaning there would be a higher chance of the bearish Elliott wave cycle failing.
- The futures closed below the USD 92.38 level, resulting in price trading to a new low. We noted in the close report yesterday that the futures looked like they could have one more test to the downside; we traded to a low of USD 88.40 in the Asian day session, the futures have since found bid support. Price is above the EMA resistance band with the RSI near-neutral at 49, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 91.25 with the RSI at or below 43 will mean price and momentum are aligned to the sell side.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease, the MA on the RSI is implying that we have light momentum support. Downside moves are struggling to hold due to the positive divergence with the RSI, meaning we are now cautious on moves lower; the daily RSI continues to hold above the 40 level, implying there is an underlying support in the market. We could see another intraday move lower; however, due to the market support on the divergence, the technical suggests it is looking less likely that we will trade to a new low at this point.

Chart source Bloomberg