



# Iron Ore Offshore Intraday Morning Technical

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## Iron Ore Offshore Nov 24 Morning Technical Comment – 240 Min Chart



|    | Support | Resistance | Current Price | Bull | Bear         |
|----|---------|------------|---------------|------|--------------|
| S1 | 97.38   | R1         | 98.75         |      | RSI below 50 |
| S2 | 95.79   | R2         |               |      |              |
| S3 | 93.70   | R3         |               |      |              |

### Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (38)
- Stochastic is below 50
- Price is below the daily pivot point USD 102.18
- Unchanged on the technical yesterday, we remained bearish with our intraday Elliott wave analysis continuing to suggest that upside moves look like they could be countertrend, making USD 105.74 the key resistance to follow. We noted that if we did trade above this level, it would warn that the probability of the futures trading to a new low had started to decrease. Price was below the 200-period MA, warning support levels were vulnerable. However, Elliott wave analysis suggested that we should in theory trade below the USD 99.30 fractal low, below this level the futures would be in divergence with the RSI, warning downside moves below this level had the potential to be limited.
- The futures have now sold below the USD 99.30 low, meaning price is in divergence with the RSI. We are 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 102.18 with the RSI at or above 45 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 103.45 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. likewise, downside moves that hold at or above USD 97.38 will warn that there is a larger bull cycle in play.
- Technically bearish, the futures are now in 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. Key support to follow is at USD 97.38, if broken, then the probability of there being a larger bullish wave cycle in play will start to decrease. Due to the divergence, we have a note of caution on moves lower at this point; however, if the divergence fails, it will warn that we could be seeing a wave extension to the downside.

Chart source Bloomberg