



# 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	R1	103.75	RSI above 50	
S2	R2			
S3	R3			

### Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (53)
- Stochastic is above 50
- Price is above the daily pivot point USD 103.52
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported; however, the RSI was trading on the average, warning momentum could be transitioning to the sell side. As noted previously, the RSI break warned that we had the potential to see another move higher; we noted that if we did trade above USD 104.30, we had a note of caution, as the futures would be in divergence with the RSI on the 1-hour chart. Not a sell signal, it warned that intraday momentum could slow down.
- The futures traded to a high of USD 104.60; however, the move has failed to hold, resulting in price mean-reverting back to the EMA support band. The RSI is above 50 with intraday price and momentum now conflicting.
- A close on the 4-hour candle below USD 103.52 with the RSI at or below 51 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 55.5 will mean it is aligned to the buyside. Downside moves that hold at or above USD 100.31 will support a bull argument, below this level the technical will have a neutral bias. Upside moves that fail at or below USD 109.12 will warn that there is potentially a larger, more complex, bearish Elliott wave cycle in play.
- Technically bullish, the MA on the RSI indicates that we have momentum support; however, the RSI is testing the average, warning it could start to weaken if the RSI closes below the average. The upside move to new highs yesterday has created a lower timeframe negative divergence; not a sell signal, it is a warning that we could see a momentum slowdown, we also have a hanging man candle on the daily chart which is in theory a reversal candle, as it warns that market bullish lost control during the previous session, indicating we are seeing signs of sell side pressure. We remain cautious on upside moves in the near-term, making USD 100.31 the key support to follow. If this level holds, then it will warn that we could be in the early stages of a larger bull cycle.

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