



Iron Ore Offshore Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Iron Ore Offshore Jan 25 Morning Technical Comment – 240 Min Chart



	Support	Resistance	Current Price	Bull	Bear
S1	104.22	R1	105.76	RSI above 50	Stochastic overbought
S2	101.73	R2	107.05		
S3	100.60	R3	108.70		

Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot point USD 104.22
- Unchanged on the technical yesterday, we remained bullish with the futures above all key moving averages. Upside moves above USD 104.85 would create a negative divergence with the RSI, not a sell signal, it warns that we could see a momentum slowdown. Elliott wave analysis suggested that we had a potential upside target at USD 105.76, whilst the 200-period daily MA was at USD 105.54, meaning we maintained a cautious view on moves higher at those levels.
- The futures are another 50 cents higher, meaning price is now in divergence with the RSI. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 104.22 with the RSI at or below 55 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 99.09 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish. We have a conflation, as the market is awaiting the results of the Chinese meeting next week regarding GDP and stimulus, this is keeping the market supported. Technically we are in divergence, we have a potential upside target for this phase of the Elliott wave cycle at USD 105.76, whilst the daily 200-period MA at USD 105.48. Technically, upside moves look limited. From a macro perspective, it is a dangerous sell. Neutral

Chart source Bloomberg

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