



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear	
S1	103.97	R1	104.70	RSI above 50	Stochastic overbought	
S2	103.33	R2				105.88
S3	102.25	R3				107.20
					108.37	

Synopsis - Intraday

- Price is above the 34-55 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Price is below the daily pivot point USD 105.88
- Technically bullish yesterday, the MA on the RSI implied that we have light momentum support, whilst our Elliott waver analysis suggested that we had the potential to trade as high as USD 108.37 within this phase of the cycle. However, the new high yesterday did mean that the futures are in divergence, warning we could see a momentum slowdown. We noted that if we went down a wave cycle, there was still a chance that we could see another test of the high. We also noted that if the daily candle closed at these those on SGX, we would have a bearish rejection candle just above the daily 200-period MA (USD 105.21). If this was the case, we would become even more cautious on moves higher. We are already very cautious on upside moves from here, as the technical suggests that they will struggle to hold.
- The futures have seen a small move lower. Price is between the EMA support band with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 105.88 with the RSI at or above 55.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 103.97 will support a bull argument, below this level the technical will have a neutral bias.
- Technically we are still bullish with price remaining above key support. However, a bearish rejection candle yesterday (daily) followed by a small move lower today, means that the daily chart is back below the 200-period MA (USD 105.16), warning that support levels are vulnerable. We maintain a cautious view on upside moves, as the divergence suggests that they could struggle to hold.

Chart source Bloomberg