



Iron Ore Offshore Intraday Morning Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	96.81	R1	100.25	97.10	RSI below 50
S2	95.45	R2	101.60		
S3	93.60	R3	103.42		

Synopsis - Intraday

- Price is below the 34-55 period EMA's
- RSI is below 50 (41)
- Stochastic is at 50
- Price is above the daily pivot point USD 96.81
- Technically bearish yesterday, the MA on the RSI implied that momentum was weak; however, the futures were finding bid support on a minor positive divergence with the RSI, warning sell side momentum could slow down. We maintained our view based on lower timeframe Elliott wave analysis that upside moves looked like they could be countertrend. As noted previously, key resistance was at USD 103.42, upside moves that rejected this level would warn that the initial move lower was an extended wave A, leaving support levels vulnerable.
- The futures have started to consolidate due to the divergence in play. We are below all key moving averages with the RSI below 50, intraday price and momentum are now aligned to the buyside.
- A close on the 4-hour candle below USD 96.81 with the RSI at or below 36.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 103.42 will warn that there could be a larger, bearish Elliott wave cycle in play.
- Unchanged on the technical today. We remain bearish with the MA on the RSI now flat, implying sell side momentum is slowing. The positive divergence with the RSI suggests caution on moves lower at these levels, as they could struggle to hold. However, we maintain our view based on lower timeframe Elliott wave analysis that upside moves look like they could be countertrend. As noted previously, key resistance is at USD 103.42, upside moves that reject this level will warn that the initial move lower is an extended wave A, leaving support levels vulnerable.

Chart source Bloomberg