



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	R1	97.20		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34-55 period EMA's
- RSI is below 50 (43)
- Stochastic is above 50
- Price is above the daily pivot point USD 96.97
- Unchanged on the technical again yesterday, we remained bearish with the MA on the RSI implying that we have light momentum support. The positive divergence with the RSI suggested caution on moves lower at these levels, as they could struggle to hold. However, we maintained our view based on lower timeframe Elliott wave analysis that upside moves look like they could be counter-trend. As noted previously, key resistance is at USD 103.42, upside moves that rejected this level will warn that the initial move lower could be an extended wave A, leaving support levels vulnerable.
- The futures spiked to a high of USD 98.25 on the Asian open; however, the move failed to hold. We are below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 96.97 with the RSI at or below 39 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.
- Technically bearish, the upside move on the open means the lower timeframe oscillator has crossed, confirming we have entered a countertrend corrective Elliott wave 4. The MA on the RSI is indicating that momentum remains supported at this point; however, the confirmation of the wave 4, means that support levels are more vulnerable today, than they were yesterday.