



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	103.85	R1	104.75	RSI above 50	Stochastic overbought	
S2	101.74	R2				107.88
S3	100.62	R3				108.99

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot point USD 103.85
- Unchanged on the Technical yesterday, we remained bullish with our Elliott wave analysis suggesting downside moves should be considered as countertrend, making USD 99.11 the key support to follow. The failure to close above the daily 200-period MA previously warned that there could be further downside within this correction. Our observation in the EU close report had also noted that the pullback remained shallow, again suggesting there could be further downside. However, a close above that held above the longer-term daily MA (USD 104.43), would indicate underlying support in the market, warning the USD 105.35 fractal resistance could be tested and broken. We maintain our view that downside moves looked like they will be countertrend.
- The futures caught a bid on the back of President Trump's trade comments, resulting in price testing but remaining below the USD 105.35 high. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below 103.85 with the RSI at or below 57.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 99.11 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, a move above USD 103.85 will confirm that we have entered a bullish impulse wave 5. If we do, then we have the potential to trade as high as USD 108.99 within this phase of the cycle; however, a new high will create a negative divergence with the RSI, not a sell signal it warns we could see a momentum slowdown and needs to be monitored. We maintain our view that downside moves should be considered as countertrend at this point.

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