

Iron Ore Offshore May 25 Morning Technical Comment—240 Min Chart Technical



| Support | | Resistance | | Current Price | Bull | Bear |
|---------|--------|------------|--------|---------------|--------------|------|
| S1 | 100.35 | R1 | 103.46 | 102.70 | RSI above 50 | |
| S2 | 100.54 | R2 | 104.07 | | | |
| S3 | 98.85 | R3 | 104.90 | | | |

Synopsis - Intraday

- Price is above the 34 - 55 period
- RSI is above 50 (54)
- Stochastic is above 50
- Price is above the daily pivot level USD 101.35
- Technically bearish yesterday, the MA on the RSI implied that momentum was weak . The rejection of the polarity resistance warned that the USD 99.05—USD 98.85 fractal support zone was vulnerable. We maintained a note of caution on moves higher.
- Having traded to a low of USD 100.45 the futures have found bid support, resulting in price closing back above all key moving averages, supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 101.35 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below 105.75 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically we remain bearish, the upside move yesterday means we are in the process of creating a symmetrical triangle pattern, meaning intraday price action is starting to consolidate. The triangle is a neutral pattern, meaning near-term directional bias will come from a close outside that holds outside of the pattern (in either direction). Trend resistance is at USD 103.46 , whilst trend support is at USD 100.54.

Chart source Bloomberg