

FIS Iron Ore Offshore Intraday Technical

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



Support		Resistance		Current Price	Bull	Bear
S1	94.11	R1	99.32	97.40		RSI below 50
S2	93.89	R2	100.78			
S3	91.70	R3	103.25			

Synopsis - Intraday

Chart source Bloomberg

- Price is between the 34 - 55 period EMA's
- RSI is below 50 (46)
- Stochastic is above 50
- Price is above the daily pivot level USD 93.89
- Technically bearish yesterday, the 2-hour divergence had failed on the move lower; however, the 1-hour RSI had held support. The MA on the RSI did imply that momentum is weak, but, the RSI was above its average, warning momentum could be transitioning to the buyside. As noted previously, our Elliott wave analysis continued to suggest that upside moves should be considered as counter-trend, making USD 99.32 the key resistance to follow. If broken, then the probability of the futures trading to a new low would start to decrease. We were moving higher on the 1-hour divergence, warning resistance levels could come under pressure in the near-term.
- The futures moved higher on a broader market rally due to some countries having their tariffs suspended for 90 days. We are between the EMA resistance band with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 93.89 with the RSI at or below 31.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below 99.32 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures have tested but remain below the USD 99.32 resistance at this point; if broken, then the probability of the futures trading to a new low will start to decrease. Likewise, downside moves that hold at or above USD 94.11 will support a near-term bull argument. The MA on the RSI is implying we have momentum support, warning the USD 99.32 resistance could be broken. In theory, our wave analysis suggests that upside moves should be considered as countertrend; however, on the news yesterday, it could be that this bearish Elliott wave cycle may fail.

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