

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



Support		Resistance		Current Price	Bull	Bear
S1	96.37	R1	97.96	97.70		RSI below 50
S2	94.27	R2	99.32			
S3	91.70	R3	100.78			

Synopsis - Intraday

Chart source Bloomberg

- Price is between the 34 - 55 period EMA's
- RSI is at 50 (48)
- Stochastic is above 50
- Price below daily pivot level USD 97.96
- Technically bearish yesterday, our Elliott wave analysis suggested that upside moves should be considered as countertrend, making USD 99.32 the key resistance to follow. If broken, then the probability of price trading to a new low would start to decrease. With price back in the consolidation zone, near-term price action was considered as neutral.
- The futures did see a break to the upside; however, the futures have rejected the USD 99.32 resistance, resulting in price trading back into the consolidation zone. We are between the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 97.96 with the RSI at or above 52 .5will mean price and momentum are aligned to the buyside. 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.
- Unchanged on the technical today, we remain bearish with upside moves considered as countertrend, the MA on the RSI is now flat, implying momentum is neutral. The EMA band is flat, the RSI is just below 50, whilst price is back in its consolidation zone. Near-term price action remains neutral.