

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



Support		Resistance		Current Price	Bull	Bear
S1	93.87	R1	94.97	94.60	Stochastic oversold	RSI below 50
S2	92.39	R2	96.91			
S3	91.70	R3	97.31			

Synopsis - Intraday

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (45)
- Stochastic is oversold
- Price below daily pivot level USD 94.97
- Unchanged on the technical yesterday. We remained bearish, but did not consider the futures a technical sell, as below USD 93.80 price would be divergent with the RSI, warning sell side momentum could slow. The EMA band was starting to flatten, for upside continuation, we needed to see a close that held above the 55-period EMA (USD 95.21)
- The futures rejected the EMA resistance band, resulting in a small move lower. The RSI is below 50 with price and momentum conflicting.
- A close on the 4-hour candle below USD 94.97 with the RSI at or below 42 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 99.17 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 again today. We remain bearish, but do not consider the futures a technical sell, as below USD 93.80 price will be divergent with the RSI, warning sell side momentum could slow. The EMA band is starting to flatten, for upside continuation, we need to see a close that holds above the 55-period EMA (USD 95.08).

Chart source Bloomberg