



Iron Ore Offshore Intraday Technical

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



Support	Resistance	Current Price	Bull	Bear
S1	R1	98.95	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (67)
- Stochastic is above 50
- Price is above daily pivot level USD 96.06
- Unchanged on the technical again yesterday, the futures were finding bid support on the EMA band; however, the MA on the RSI continued to imply that momentum was weak. Elliott wave analysis suggested that downside moves should be considered as countertrend, making USD 93.70 the key support to follow. Below this level the probability of price trading to a new high would start to decrease. Based on our wave analysis, we remained cautious on downside moves; for upside continuation, price and momentum would need to be aligned to the buyside.
- The futures remained supported with price and momentum becoming aligned to the buyside, resulting price trading to a new high. The upside move has resulted in the minor divergence failing. 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 USD 96.06 with the RSI at or below 55 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 96.46 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the upside moves has momentum support, suggesting downside moves should still be considered as countertrend at this point. If we do trade below USD 96.46, then the probability of the futures trading to a new high will start to decrease. A close below the low of the last dominant bull candle (USD 98.00) will imply that sell side pressure is increasing, warning the futures could be entering a countertrend lower.

Chart source Bloomberg