

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



Support		Resistance		Current Price	Bull	Bear
S1	104.99	R1	108.52	107.55	RSI above 50	Stochastic overbought
S2	104.44	R2	109.30			
S3	103.66	R3	111.04			

Synopsis - Intraday

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above daily pivot level USD 104.99
- Technically bullish on Thursday, the upside breakout had volume support with the futures breaching the USD 105.05 fractal resistance, warning the USD 107.00 fractal high was vulnerable. We maintained our view based on Elliott wave analysis that downside moves should be considered as countertrend.
- The futures have now traded above the USD 107.00 fractal high, 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 104.99 with the RSI at or below 56.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 102.10 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implied that momentum is supported. The new high means the futures are in divergence with the RSI, warning we could see a momentum slowdown. However, the RSI has broken near-term resistance from the 28/08, suggesting intraday downside moves should still be considered as countertrend, making USD 102.10 the key support to follow. Below this level, the probability of the futures trading to a new low will start to decrease.

Chart source Bloomberg