



Iron Ore Offshore Intraday Technical

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



Support		Resistance		Current Price	Bull	Bear
S1	105.30	R1	106.83	105.60	RSI above 50	
S2	104.44	R2	107.65			
S3	103.66	R3	108.52			

Synopsis - Intraday

Chart source Bloomberg

- Price is between the 34 - 55 period EMA's
- RSI is above 50 (52)
- Stochastic is below 50
- Price is below daily pivot level USD 105.81
- Technically bullish but in a corrective phase on Friday, the MA on the RSI was showing light momentum weakness. The futures were moving lower due to the negative divergence; however the momentum spike on the 28/08 continued to warn that downside moves had the potential to be countertrend in the near-term. A close on the 4-hour candle below the low of the high volume bull candle (USD 105.30) will imply sell side pressure is increasing, warning the USD 102.10 Fibonacci support could come under pressure. This was the key level on the technical, below this level the probability of the futures trading to a new high would start to decrease.
- The futures continue to move sideways with price between the EMA support band. The RSI is above 50 with price and momentum conflicting.
- A close on the 4-hour candle above USD 105.81 with the RSI at or above 57 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is 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 implies that momentum is weak. The futures are consolidating between the EMA support band, which have now started to flatten, implying we lack directional bias. Upside moves above USD 106.45 will imply that buyside pressure is increasing, warning the USD 107.65 fractal high could be tested and broken. Conversely, if we trade below USD 102.10 then the probability of the futures trading to a new high will start to decrease. Based on the momentum spike on the 28/08 we maintain our view that downside moves are considered as countertrend.