Iron Ore Offshore Intraday Technical

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

Support		Resistance		Current Price	Bull	Bear
S1	104.30	R1	106.28	105.65	RSI above 50	Stochastic overbought
S2	104.08	R2	106.93			
S3	103.61	R3	108.05			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is above daily pivot level USD 104.08
- Bullish with a neutral bias last week, we were unchanged on the technical. The probability of the futures trading to a new high had started to decrease; however, we noted that we still had the 3-wave pattern and 100% Fibonacci projection on the daily chart warning that price is vulnerable to a move higher. For that reason, we remained cautious on downside moves at that point.
- The futures have moved higher with price above the EMA resistance band with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 104.08 with the RSI at or below 47.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 106.28 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- We remain bullish with a neutral bias with the MA on the RSI implying momentum is supported. The futures have seen bid support due to the 3-wave pattern on the DCE daily technical. We are now above the intraday 200-period MA (USD 104.76), if we hold above the average, it will imply that there is an underlying support in the market, warning the USD 106.28 resistance could be tested and broken. If it is, then the technical is back in bull territory, warning the USD 108.05 resistance could be tested and broken. Buyside pressure is increasing, meaning resistance is vulnerable.