



Iron Ore Offshore Intraday Technical

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



Support		Resistance		Current Price	Bull	Bear
S1	104.27	R1	105.30	104.45	RSI above 50	Stochastic overbought
S2	103.63	R2	106.15			
S3	103.16	R3	107.60			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above daily pivot level USD 103.63
- Unchanged on the technical on Thursday, we remained bearish with a neutral bias, the probability of the futures trading to a new low had started to decrease. The MA on the RSI implied that momentum was supported, warning that resistance levels were vulnerable, above USD 104.05 the futures would be bullish based on price. With the futures breaching key near-term resistance (102.96), whilst the lower timeframe Elliott wave cycle looked to have completed, we maintained a cautious view on downside moves, as the technical warned that they could struggle to hold.
- The futures have traded above the USD 104.05 fractal resistance, meaning the technical is now bullish. 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 103.63 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 102.12 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 supported. Our Elliott wave analysis suggests that intraday downside moves should be considered as countertrend, making USD 102.12 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease; conversely, upside moves that fail at or below USD 105.30 will warn that there could be a larger, bearish Elliott wave cycle in play (W,X,Y). Momentum support and Elliott wave analysis suggest that downside moves should be countertrend, meaning resistance levels remain vulnerable. If we close and hold below the 200-period MA (USD 104.27), then the futures will be vulnerable to an intraday throwback, bringing the USD 102.12 support into focus.

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