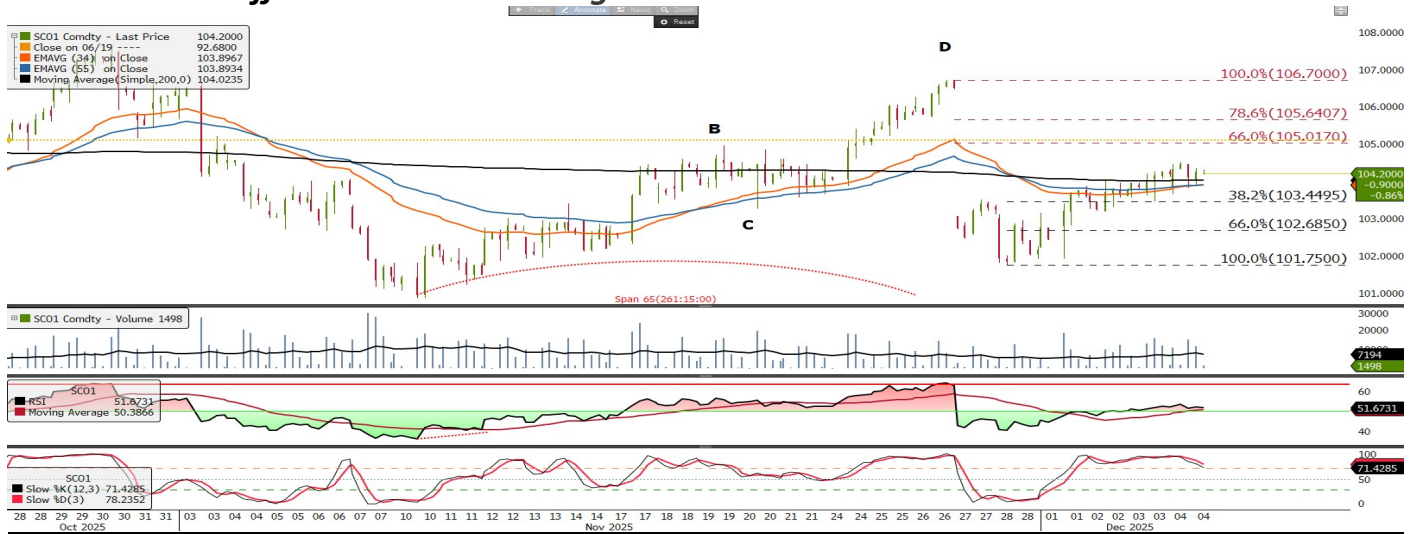


Iron Ore Offshore Jan 26 Morning Technical Comment—240 Min Chart Technical



Support		Resistance		Current Price	Bull	Bear
S1	103.98	R1	105.01	104.20	RSI above 50	Stochastic overbought
S2	103.44	R2	105.64			
S3	102.68	R3	106.70			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Price is above daily pivot level USD 103.98
- The upside move above the USD 103.50 fractal resistance yesterday meant that the futures were bullish based on price; however, we noted that upside moves that rejected the USD 105.01 resistance would warn that there could be a larger, bearish corrective cycle in play. The MA on the RSI implied that we had light momentum support, whilst price was above the intraday 200-period MA (USD 104.00). A benchmark average, if we held above it, then the USD 105.01 resistance would become vulnerable. Conversely, market bulls should be cautious on a close that held below the average, as it would warn that support levels could come under pressure. Whilst above USD 104.00, resistance should be considered as vulnerable.
- The futures continue to trade just above the 200-period MA (USD 104.02) . 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 103.98 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 102.62 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged on the technical this morning, we remain bullish with the MA on the RSI implying that momentum is supported. Price continues to hold above the 200-period MA (USD 104.02), warning the USD 105.01 resistance is vulnerable. If rejected, it will warn that there could be a larger corrective phase in play; if broken, it will further support a buyers argument. The technical is bullish but price remains at an inflection point. Market bulls will want to keep price above the longer-term average; failure to do so will warn that buyside pressure is easing.