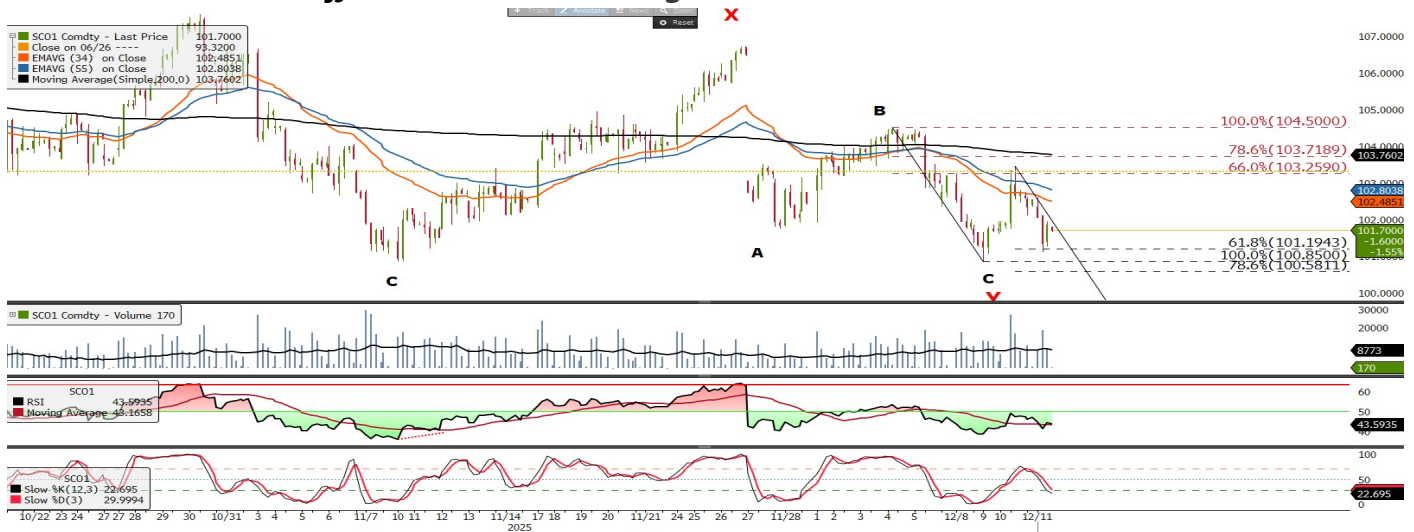


## Iron Ore Offshore Jan 26 Morning Technical Comment—240 Min Chart



Support	Resistance	Current Price	Bull	Bear
S1	R1	101.70		RSI below 50
S2	R2			
S3	R3			

## Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (43)
- Stochastic is below 50
- Price is below daily pivot level USD 102.60
- Technically bearish with a neutral bias yesterday, the probability of price trading to a new low had started to decrease. A close below the low of the high volume dominant bull candle (USD 101.75) would indicate sell side pressure is increasing; whilst below USD 101.73 would warn that the USD 100.85 fractal low could be tested and broken. With the support zone highlighted previously below us, alongside the breach in key resistance, we maintained a cautious view on downside moves.
- The futures traded above the USD 103.25 Fibonacci resistance; however, the move failed to hold, resulting in price trading below the USD 101.73 support. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 102.60 with the RSI at or below 41 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 45.5 will mean it is aligned to the buyside. Upside moves that fail at or below USD 103.25 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.  
Note: resistance is back in play due to the move below USD 101.73.
- Technically bearish, the move below USD 101.73 warns that the USD 100.85 fractal low could be tested and broken. However, a new low will create a positive divergence with the RSI, not a buy signal, it warns that we could see a momentum slowdown. As highlighted previously, USD 100.97 is the daily 200-period MA, whilst USD 100.87 is two standard deviation below the daily linear regression line, meaning we remain cautious on downside moves at these levels.