

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



Support		Resistance		Current Price	Bull	Bear
S1	99.68	R1	100.49	100.35		RSI below 50
S2	99.20	R2	101.00			
S3	98.13	R3	101.68			

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (40)
- Stochastic is above 50
- Price is above daily pivot level USD 99.68
- Technical Outlook Monday: bearish below USD 101.68. With price trading below the USD 99.20 Fibonacci support yesterday without producing a technical pullback, our Elliott wave analysis indicated that upside moves should be considered as countertrend, providing we remained below the USD 101.68 resistance. A move above USD 101.68 would be considered as deep into the last bear wave, warning that the probability of price trading to a new low would start to decrease. The RSI moving average implied that momentum remained weak; however, we were seeing supported price action. If price and momentum become aligned to the buy side, then resistance levels could come under pressure in the near-term.
- The futures traded to a high of USD 100.90 in the Asian day session before seeing bids fade a little. We are below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 99.68 with the RSI at or below 33 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 101.68 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical Outlook: bearish below USD 101.68
- The futures continue to see light bid support having traded into the Fibonacci resistance zone after price and momentum become aligned to the buy side. Our Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, making USD 101.68 the key resistance to follow; if broken, then the probability of price trading to a new low would begin to decrease. Market buyers will need to be cautious if price and momentum become aligned to the sell side, as it will leave the USD 98.85 fractal low vulnerable.