



Iron Ore Offshore Intraday Technical

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



Support	Resistance	Current Price	Bull	Bear
S1	R1	98.75	RSI above 50	Stochastic overbought
98.10	99.10			
S2	R2			
97.69	100.35			
S3	R3			
96.52	102.03			

Synopsis - Intraday

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above daily pivot level USD 98.10
- Technical Outlook Wednesday: countertrend move higher.
- The broader Elliott wave cycle remained bearish below USD 102.03 and neutral above. Near-term price action was supported, suggesting we could form into a 3-wave pattern higher (currently in wave 1); however, lower timeframe momentum indicators were overextended to the upside, implying price was becoming vulnerable to an intraday pullback in the very near-term. USD 102.03 was the key level on the technical, as above it the probability of the futures trading to a new low would begin to decrease. Corrective moves that hold at or above USD 96.39 will support a near-term buyers argument (indicating a 3-wave pattern higher), while a move below this level would signal an increase in sell - side pressure, which would leave the USD 95.10 support vulnerable. We maintained our view that upside moves should be considered as countertrend at that point.
- The futures have seen a small move higher. We are 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 98.10 with the RSI at or below 46.5 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 102.30 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical Outlook: Momentum support within a countertrend move
- Unchanged on the technical this morning. The broader Elliott wave cycle remains bearish below USD 102.03 and neutral above. Near-term price action remains supported, suggesting we could form into a 3-wave pattern higher (currently in wave 1); however, lower timeframe momentum indicators remain overextended to the upside, implying price continues to be vulnerable to an intraday pullback in the very near-term. USD 102.03 is the key level on the technical, as above this level the probability of the futures trading to a new low will begin to decrease. Corrective moves that hold at or above USD 96.52 will support a near-term buyers argument (indicating a 3-wave pattern higher), while a move below this level will signal an increase in sell - side pressure, which will leave the USD 95.10 support vulnerable. We maintain our view that upside moves should be considered as countertrend at this point.

Chart source Bloomberg

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