



Iron Ore Offshore Intraday Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	98.58	R1	99.50	RSI above 50	
S2	97.78	R2	100.35		
S3	97.40	R3	101.91		

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (55)
- Stochastic is below 50
- Price is above daily pivot level USD 98.58
- Technical Outlook Tuesday: Potential divergence with resistance above.
- We noted yesterday that although the market continued to see volume support, the broader trend remained bearish below USD 102.03 and neutral above. We were starting to see resistance form at USD 99.50, a move above this level would create a minor negative divergence with the RSI, implying caution on upside breakouts. The intraday 200-period MA was at USD 100.62 while the daily 200-period MA is at USD 101.87, we had Fibonacci resistance at USD 100.35 and USD 102.03. Technically, we needed to see a very strong move higher to clear the resistance zone. Based on this, alongside our Elliott wave analysis, we continue to be cautious on higher moves, as they could struggle to hold.
- The futures are consolidating between USD 99.50 and USD 97.40. We are above the EMA support band with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 98.58 with the RSI at or below 51.5 would mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 56 will mean price and momentum are aligned to the buy 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: Consolidating—upside moves considered countertrend
- Near-term price action is neutral due to the consolidation zone between USD 99.50—USD 97.40, meaning directional bias will come from a close and hold outside of the box. However, our Elliott wave analysis suggests that upside moves should be considered as countertrend, while we have the intraday and daily 200-period MA's between USD 100.37—USD 101.91 respectively, meaning we are more cautious on upside breakouts. However, this consolidation is forming on elevated volume, indicating a breakout could be very reactionary, as new position builds that are the wrong side will be looking for a quick exit.

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