



# 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	103.20	R1	106.03	Stochastic oversold	RSI below 50
S2	101.34	R2	106.60		
S3	99.88	R3	107.36		

### Synopsis - Intraday

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (28)
- Stochastic is oversold
- Price is below daily pivot level USD 107.93
- Technical Outlook Monday: Cautious bull—Negative divergence in play
- Technically bullish yesterday, we remained cautious on upside breakouts above USD 109.00 as the RSI would be divergent with price. The divergence indicated that upside moves would struggle to hold, this also suggested that the USD 105.27 Fibonacci support was now vulnerable. If broken, then the probability of the futures trading to a new high within this phase of the cycle would begin to decrease, warning we could be entering a higher timeframe corrective phase, making USD 101.34 the key longer-term support to follow. The longer-term Elliott wave cycle was bullish above USD 101.34 and neutral below.
- The futures sold below the USD 105.27 support, we are below the EMA support band with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 107.93 with the RSI at or above 52 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 107.36 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, corrective moves that hold at or above USD 101.34 will imply that there is a larger, bullish Elliott wave cycle in play.
- Technical Outlook: Momentum weak, caution on higher moves in near-term
- The broader trend (wave cycle) remains bullish above USD 101.34 and neutral below. However, the move below fractal support means the technical is bearish based on price. The RSI and price are making new lows, this bearish momentum confirmation suggests that upside moves could struggle to hold in the near-term. However, if we do breach the USD 107.36 resistance, then the probability of price selling to new lows will decrease. Our Elliott wave analysis does indicate that we had a bullish wave extension on the move up to USD 109.00, indicating the cycle is considered bullish above USD 101.34.

Chart source Bloomberg