



# Iron Ore Offshore Intraday Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

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



	Support	Resistance	Current Price	Bull	Bear
S1	107.30	R1	107.65	Stochastic oversold	RSI below 50
S2	106.75	R2			
S3	105.40	R3			

### Synopsis - Intraday

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below daily pivot level USD 108.55
- Technical Outlook Previously: Downside moves considered as countertrend
- The RSI had moved below 30 yesterday while the RSI moving average implied momentum was weak, indicating that the USD 107.55 support remained vulnerable. This was a key level on the technical; if broken, then the probability of the futures achieving new highs would begin to decrease. While above USD 107.55 our Elliott wave analysis suggests that downside moves should be considered as countertrend.
- The futures have breached the USD 107.55 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 108.55 with the RSI at or above 43.5 will mean price and momentum are aligned to buyside. Upside moves that fail at or below USD 110.28 will leave the futures vulnerable to further tests to the downside, above this level, the futures will re-enter bullish territory.
- Technical Outlook: Neutral
- The depth of the pullback means that the probability of the futures trading to a new high has started to decrease, warning the bullish Elliot wave cycle has a higher probability of failing. The RSI moving average imply momentum weakness, as does the RSI breach below the 30 level. Countering this, we have highlighted the mid-April resistance around the USD 107.50—USD 107.30 area; this now has the potential to act as support. A bullish reaction off support, followed by a close above the high of the last dominant bear candle at USD 108.20, with price and momentum becoming aligned to the buyside, will suggest that the USD 110.28 resistance could be tested.

Chart source Bloomberg

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