



# Iron Ore Offshore Intraday Technical

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



	Support	Resistance	Current Price	Bull	Bear
S1	99.70	R1	101.66	Stochastic oversold	RSI below 50
S2	98.95	R2	102.29		
S3	98.19	R3	102.97		

### Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (23)
- Stochastic is oversold
- Price is below daily pivot level USD 101.66
- Technical Outlook Previously: Upside moves considered as countertrend
- We noted on Thursday that the close and hold below the daily 200-period MA had resulted in divergence failure. With the bearish Elliott wave cycle extending, we had brought Fibonacci resistance in, as this put them in line with the lower timeframe cycles. The divergence failure signaled bearish momentum confirmation, implying upside moves should be considered as countertrend, providing we remained below the USD 104.35 resistance. High volume bearish candles supported the current mover lower, meaning market shorts should act with caution on intraday moves higher, on high volume, as our expectation was that upside moves should be on lighter volume at this point.
- The futures did see light bid support on Friday; however, price has sold lower this morning in the Asian day session. We remain below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 101.66 with the RSI at or above 28.5 will mean price and momentum are aligned to buy-side. Upside moves that fail at or below USD 103.89 will leave the futures vulnerable to further tests to the downside, above this level, the futures will re-enter bullish territory.
- Technical Outlook: Upside moves considered as countertrend
- Technically unchanged this morning, the futures remain in a bearish trending environment with our Elliott wave analysis suggesting upside moves should be considered as countertrend, providing we remain below the USD 103.89 resistance. However, the pullback followed by a new low has resulted in a positive divergence with the RSI. Not a sell signal it does warn that sell side momentum could slow, which will need to be monitored.

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