# Iron Ore Offshore Intraday Technical

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## Iron Ore Nov Offshore




| Support | | Resistance | | Current Price | Bull | Bear |
|---|---|---|---|---|---|---|
| S1 | 89.69 | R1 | 90.63 | 90.50 | | RSI below 50 |
| S2 | 88.40 | R2 | 91.93 | | | |
| S3 | 88.25 | R3 | 92.50 | | | |

### Synopsis - Intraday

Chart source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (41)
- Stochastic is below 50
- Price is below daily pivot level USD 90.63
- Technical Outlook Previously: Positive divergence
- The new low yesterday had resulted in the futures creating another RSI divergence; a condition that warned that we could see sell side momentum slowdown. Upside moves above the new fractal resistance at USD 91.70 would signal an increase in buyside pressure, warning Fibonacci resistance levels could be tested. As highlighted previously, we identify USD 88.40 as a key support on the weekly timeframe, a close and hold below this level would signal higher timeframe technical weakness, as there was limited support below this level. The divergence suggested caution on lower moves, it was not a buy signal, confirmation that the divergence is being respected would come from a move above USD 91.70.
- The futures are consolidating above their lows due to the divergence. We remain below the EMA resistance band with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 90.63 with the RSI at or above 46.5 would mean price and momentum are aligned to the buy-side; likewise, a close below this level with the RSI at or below 42 would mean it is aligned to the sell side. Upside moves that fail at or below USD 93.26 would leave the futures vulnerable to further tests to the downside, above this level the technical would have a neutral bias.
- Technical Outlook: Positive divergence
- Unchanged on the technical today; price is consolidating due to the divergence, below USD 90.10 will create further divergences, a condition that warns that we could see sell side momentum slowdown. Upside moves above USD 91.70 would signal an increase in buyside pressure, warning Fibonacci resistance levels could be tested. As highlighted previously, we identify USD 88.40 as a key support on the weekly timeframe, a close and hold below this level would signal higher timeframe technical weakness, as there is limited support below this level. The divergence suggests caution on lower moves, it is not a buy signal, confirmation that the divergence is being respected will come from a move above USD 91.70.

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