

# FIS Capesize Intraday

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## Capesize Feb 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	5,850	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (29)
- Stochastic is oversold
- Price is below the daily pivot USD 6,383
- Technically bearish but in divergence yesterday, the futures were not considered a technical sell. The futures have moved lower, and the divergence has failed! Price is 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 6,383 with the RSI at or above 38.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 6,724 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 7,175 is the intraday technical bullish.
- The divergence has failed, leaving the USD 5,712 and USD 5,583 support zone vulnerable. However, our intraday Elliott wave analysis continues to suggest this move is overextended to the downside, whilst the RSI is below 50 and in over-sold territory. In 5 of the last 7 years the Feb index has settled above USD 6,500 (71% of the time). Based on the intraday wave analysis, and the statistics, we continue maintain our view that the futures are not considered a technical sell at this point, despite the divergence failure.

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