

FIS Capesize Intraday

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Capesize Feb 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	5,775	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 (33)
- Stochastic is oversold
- Price is above the daily pivot USD 5,733
- Technically bearish yesterday having seen the positive divergence with the RSI failure, intraday Elliott wave analysis continued to suggest that the downside move looked to be over extended, we also noted that in 5 of the last 7 years the Feb index had settled above USD 6,500. For this reason, although bearish, we did not consider the futures a technical sell. Price did trade to a low of USD 5,425 before finding light buying support into the close. The futures remain below all key moving averages with the RSI below 50, intraday price and momentum are now conflicting.
- A close on the 4-hour candle above USD 5,733 with the RSI at or above 36 will mean price and momentum are aligned to the buy side; likewise, a close below the level with the RSI at or below 31.5 will mean it is aligned to the sell side.
- We remain in a bearish trending environment but maintain our view that the futures are not a technical sell at these levels. For price and momentum be aligned to the sell side the RSI will need to be below USD 31.5, which from a technical perspective looks to low for any downside move to be sustainable.

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