

FIS Capesize Intraday

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Capesize August 23 Morning Technical Comment – 240 Min



Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Price is below the daily pivot USD 16,583
- The futures have rolled into August today result in price gapping higher. Price is now above all key moving averages supported by the RSI, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 16,583 will mean price and momentum are aligned to the buyside; likewise, a close below this level with the RSI at or below 39.5 will mean it is aligned to the sell side. Upside moves that fail at or below USD 17,090 will leave the futures vulnerable to further tests to the downside, above this level we have the potential to test the USD 18,125 fractal resistance.
- The technical is bullish with a neutral bias, the roll this morning means the RSI is a little distorted have jumped 10 points higher. The futures have rejected the intraday 200-period MA on the open (USD 16,896), the average itself is flat indicating a lack of directional bias in the market. We now have a breakaway gap between USD 16,450 and USD 15,800, in theory this is a support window; however, markets do like to try and close gaps to test their resilience, warning we could potentially see the futures come under pressure in the near-term. The longer-term Elliott wave cycle would suggest that upside move is possibly countertrend at this point. Key longer-term resistance is at USD 19,250, if broken it will warn that the bearish Elliott wave cycle could be failing. If we close below and hold below the 55-period EMA (USD 16,394) then market bears will look to try and close the support window.

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