

FIS Capesize Intraday

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Capesize August 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,500		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (43)
- Stochastic is above 50
- Price is below the daily pivot USD 16,491
- The technical is bullish with a neutral bias on Friday, the roll meant that the RSI had become little distorted having jumped 10 points higher. The futures had rejected the intraday 200-period MA on the open (USD 16,896), the average itself was flat indicating a lack of directional bias in the market. We had a breakaway gap between USD 16,450 and USD 15,800, in theory this was a support window; however, we noted that markets liked 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 moves were possibly countertrend. Key longer-term resistance was at USD 19,250, if broken it would warn that the bearish Elliott wave cycle could be failing. If we closed below and held below the 55-period EMA (USD 16,394) then market bears would look to try and close the support window. The futures closed below the 55-period average on Friday, resulting in the support window being closed this morning. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 16,491 with the RSI at or above 47 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 43 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.
- Technically bullish with a neutral bias, the move below USD 15,800 is now warning that the USD 14,925 fractal support is vulnerable, if broken, the technical is bearish based on price.

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