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Capesize Intraday

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Capesize August 23 Morning Technical Comment – 240 Min



S3 10,461 R3 15,000

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below the daily pivot USD 14,075
- Technically bearish yesterday, the break in support meant that the USD 13,325 fractal low was vulnerable. intraday Elliott wave analysis using the William's method suggested that we have a potential downside target at USD 12,099. The futures have traded below the USD 13,325 fractal low this morning, 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 14,075 with the RSI at or above 42 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 15,600 will leave the futures vulnerable to further tests to the downisde, above this level the technical will have a neutral bias. Only above USD 16,875 is the intraday technical bullish based on price.
- Technically bearish, the new low means the futures are in divergence with the RSI dating back to 31/05, we also have a minor positive divergence on the 60 min chart, warning we have the potential to see a momentum slowdown. Intraday Elliott wave analysis on a lower timeframe, does still suggest that upside moves could be countertrend, making USD 15,600 the key resistance to follow. The minor divergence is warning we are potentially a little overextended to the downside, warning we could see an intraday pullback soon.

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