

FIS Capesize Intraday

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Capesize August 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	14,108	R1	14,575		RSI below 50	
S2	13,703	R2				15,600
S3	13,125	R3				16,072

Synopsis - Intraday

Source Bloomberg

- Price is between the 8–21 period EMA’s
- RSI is below 50 (43)
- Stochastic is below 50
- Price is above the daily pivot USD 14,108
- Technically bearish yesterday, the new low meant that the futures were in divergence with the RSI dating back to 31/05, we also had a minor positive divergence on the 60 min chart, warning we had the potential to see a momentum slowdown. Intraday Elliott wave analysis on a lower timeframe, did still suggest that upside moves could be counter-trend, making USD 15,600 the key resistance to follow. The minor divergence is warning we are potentially a little over-extended to the downside, warning we could see an intraday pullback soon. The futures did move higher on the back of the divergence yesterday with price reversing early losses to close the day USD 700 higher. Price is now between the 8-21 period EMA’s with the RSI still below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 14,108 with the RSI at or below 36.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 15,600 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 16,875 is the intraday technical bullish based on price. Likewise, downside moves that hold at or above USD 13,703 will support a near-term bull argument, below this level the USD 13,125 fractal low becomes vulnerable.
- Technically we remain bearish. In theory our intraday Elliott cycle would suggest that we have one more wave to the downside, implying support levels remain vulnerable at this point. However, if we do trade above USD 15,600 it would suggest caution, as the deep pullback would mean that the probability of the futures trading to a new low will have decreased.

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