

FIS Capesize Intraday

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Capesize Oct 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	17,950	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot USD 17,108
- Technically the futures were still in divergence with the RSI on Friday. We were bullish but until we had seen a divergence failure, we had to maintain a note of caution. If the RSI did trade to a new high, then the USD 17,700 and USD 18,825 resistance levels would be vulnerable. However, as noted previously if the divergence held then support could come under pressure. The divergence failed going into close on Friday, resulting in the futures moving higher on the open. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 17,108 with the RSI at or below 59 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 16,326 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the near-term divergence failure is warning that the USD 18,825 resistance is now vulnerable. However, the new high means that we now have a longer-term divergence in play dating back to mid-August that will now need to be monitored. We are bullish but continue to have a note of caution at this point whilst the secondary divergence is in play. If it fails then it will warn that we could potentially be seeing some form of Elliott wave extension, which would potentially have bullish implications going forward.

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