

FIS Capesize Intraday

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Capesize Oct 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	18,450	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8–21 period EMA’s
- RSI is above 50 (62)
- Stochastic is overbought
- Price is below the daily pivot USD 19,000
- Technically bullish yesterday, with price still in divergence. We noted that the RSI move above the high from the 06/09/23 suggested that downside moves in the near-term should be considered as countertrend. The probability of the divergence failing had increased; however, confirmation would only come once the RSI had closed above the resistance line highlighted. We also noted that the non-rolling contract (October outright) Elliott wave cycle on a lower timeframe looked to be bullish impulse. The futures traded higher resulting in the negative divergence failing. We are selling lower this morning with price USD 925 below the previous days close. The futures are between the 8-21 period EMA’s with the RSI above 50, intraday price and momentum are aligned to the buy side (in theory) as the opening candle closed above the daily pivot with the RSI above 50. This is no longer the case, but the candle is still open.
- A close on the 4-hour candle below USD 19,000 with the RSI at or below 64.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 16,862 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the divergence failure yesterday is warning that the current move lower is potentially countertrend, making USD 16,862 the key support to follow. If broken, then the pullback will be considered as deep, meaning the probability of the futures trading to a new high will decrease.

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