

FIS Capesize Intraday

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Capesize Oct 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	20,750	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above 8—21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the daily pivot USD 19,650
- Technically bullish with the USD 19,750 resistance looking like it will be tested and broken yesterday. If it was, then intraday Elliott wave analysis would suggest that we have the potential to trade as high as USD 22,427. However, above USD 19,750, the futures will be in divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown and will need to be monitored. The futures have continued to trade to new highs with price above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 19,650 with the RSI at or below 63 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 18,565 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures remain in divergence, but it is now marginal; however, the current Elliott wave cycle looks to be on a 94-minute candle cycle, where the divergence is slightly more prominent. This is a warning that we are still vulnerable to a momentum slowdown and will need to be monitored. If the divergence does fail (on the lower timeframe), then we will be looking at an Elliott wave extension, which will have bullish implications going forward. Likewise, a move below USD 18,565 will be considered as deep, meaning the probability of the futures trading to a new high will decrease. We remain a cautious bull at this point with a potential upside target at USD 22,427.

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