

FIS Capesize Intraday

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Capesize Oct 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	20,375	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 (67)
- Stochastic is overbought
- Price is above the daily pivot USD 20,316
- Technically bullish yesterday, the futures remained in divergence which was marginal; however, the current Elliott wave cycle looked to be on a 94-minute candle cycle, where the divergence was slightly more prominent. This warned that we were still vulnerable to a momentum slowdown which needed to be monitored. If the divergence failed (on the lower timeframe), then we would be looking at an Elliott wave extension, which would have bullish implications going forward. Likewise, a move below USD 18,565 would be considered as deep, meaning the probability of the futures trading to a new high would decrease. We remained a cautious bull with a potential upside target at USD 22,427. The futures traded to a high of USD 20,875 before selling lower post index to close at USD 20,100, creating a small bearish rejection candle on the daily chart. We remain 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 20,316 with the RSI at or below 65 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 with the RSI, not a sell signal it is warning that we could see a momentum slowdown. Upside moves above USD 20,875 will target the USD 22,091 – USD 22,042 resistance zone. We remain a cautious bull with the potential for one final move to the upside; however, from a technical perspective the futures are not considered a buy at these levels.

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