

FIS Capesize Intraday

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Capesize Nov 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 (62)
- Stochastic is overbought
- Price is above the daily pivot USD 20,158
- The futures were bullish based on price on Friday due to the move above USD 20,100 level. However, the technical (wave cycle) was only considered as bullish above USD 20,875. This would suggest that we were seeing a wave extension (not a new cycle), implying the November contract had a potential upside target at USD 22,822. A new high would also create a negative divergence with the RSI, not a sell signal it would need to be monitored as it warned that momentum could slow down. The move above USD 20,100 on Friday implied that the USD 20,875 fractal high could be tested and broken. All the momentum signs were there, implying that we could get a wave extension, we were just missing one thing. A new high. The futures traded above USD 20,875 on the open this morning, confirming that we were seeing an Elliott wave extension. 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 20,158 with the RSI at or below 53.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 18,392 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, our intraday Elliott wave analysis would suggest that we have a potential upside target at USD 22,822. However, the new high means we have a negative divergence between price and the RSI, not a sell signal, it is a warning that we have the potential to see a momentum slowdown and will need to be monitored.

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