

FIS Capesize Intraday

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Capesize Dec 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	16,500	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 (54)
- Stochastic is overbought
- Price is on the daily pivot USD 16,516
- Technically unchanged yesterday, the futures continued to trade around the 55-period EMA (USD 15,938) in what looked to be an upside countertrend move. The MA on the RSI was starting to flatten a little, warning that buy-side momentum was starting to slowdown. The futures moved higher with price now above the 55-period EMA, price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy-side, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle below USD 16,513 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 17,422 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 14,738 will support a near-term bull argument, below this level we target the USD 13,625 fractal support.
- We remain bearish with intraday Elliott wave analysis suggesting that upside moves are potentially countertrend. The MA on the RSI does suggest that momentum is supported whilst price is now above the 55-period average (USD 16,024). If we do see a close on the 4-hour candle below this level, it will warn that buy-side momentum is weakening. The 1-hour RSI held at resistance into the close yesterday (I.E., there is a very minor divergence in play), resulting in a small move lower on the open today. Despite the momentum support, with the intraday wave cycle suggesting this upside move looks to be countertrend, whilst we have the minor divergence on the lower timeframe, we remain cautious on upside moves at this point. A move above USD 17,422 will mean that the probability of the futures trading to a new low will start to decrease.

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