

FIS Capesize Intraday

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Capesize Dec 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	19,100	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above 8—21 period EMA's
- RSI is above 50 (65)
- Stochastic is above 50
- Price is above the daily pivot USD 17,333
- Technically bearish with a neutral bias yesterday, we continued to see conflictions within the technical. The MA on the RSI suggested momentum was weak, but the RSI was back above 50 with the stochastic in oversold territory, meaning we were vulnerable to a move higher, providing the RSI held above 50. We also had a small bullish rejection candle on the daily chart, if we closed higher yesterday it warned that we could see resistance levels come under pressure. Countering this, the futures had moved lower on the back of a 5-wave pattern higher, that had a negative divergence in play on the lower timeframe, warning of technical weakness. If we trade below the low of the previous rejection candle (USD 16,125) then the USD 15,825 and USD 15,095 support levels would be vulnerable. Too many conflictions on the technical yesterday meant that we had a neutral view until we had some clarity. The futures closed above the high of the bullish rejection candle yesterday, resulting in a strong move higher this morning. 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 17,333 with the RSI at or below 53 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 17,068 will support a near-term bull argument, below this level we target the USD 16,125 fractal support.
- The upside move today has resulted in the RSI making new highs, warning downside moves have the potential to be countertrend in the near-term. The new high means that we are now seeing and Elliott wave extension to the upside, above USD 19,500 the technical is bullish. In theory we are still bearish with a neutral bias, the move higher this morning is warning that the USD 19,500 resistance is starting to look vulnerable. Neutral yesterday, and still unconvinced into the close last night, as the rest of the freight complex had moved lower, it is now looking increasingly likely that we could soon be in bullish territory.

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