

FIS Capesize Intraday

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Capesize Dec 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	22,500	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 (69)
- Stochastic is overbought
- Price is below the daily pivot USD 23,425
- Technically bullish yesterday, the intraday Elliott wave cycle continued to suggest that downside moves should be considered as countertrend, the MA on the RSI supported this, as did the RSI making new highs. From an Elliott wave perspective, we looked to be on a wave 3 of 3, meaning there should be at least one more pullback, (more likely two) within this bullish phase of the cycle. Having rallied nearly 49% in the last 5 sessions the futures have entered a corrective phase. We remain above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 23,425 with the RSI at or below 66.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Downside moves that hold at or above USD 18,751 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, we maintain our view that downside moves look like they should be countertrend at this point. This is based on the recent high in the RSI and the intraday Elliott wave cycle. The MA on the RSI is suggesting that momentum remains supported, but the RSI is now testing its average. If we start to close below the average it will warn that momentum is starting to weaken (as price and momentum will be aligned to the sell side), warning support levels could potentially come under pressure in the near-term. A move below USD 18,751 would suggest that the probability of the futures trading to a new high will start to decrease, due to the depth of the pullback.

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