

# FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

## Capesize Jan 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	18,875		RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below 8—21 period EMA's
- RSI is below 50 (46)
- Stochastic is overbought
- Price is above the daily pivot USD 17,705
- This is going to be a complex technical due to the roll today. Firstly, in terms of the outright Dec and Jan futures, downside moves are considered as countertrend. However, on the rolling front month technical, we have just dropped 12k, meaning we have taken out key support levels. This would suggest that we should move away from a bullish Elliott wave cycle on the rolling contract. Price is below all key moving averages, supported by the RSI below 50, intraday price and momentum are conflicting, as the RSI is below 50, but price is above the outright Jan pivot level.
- A close on the 4-hour candle above USD 17,708 with the RSI at or above 75 will mean price and momentum are aligned to the buy side. Likewise, a close below this level will mean it is aligned to the sell side. Upside moves that fail at or below USD 26,215 will leave the futures vulnerable to further tests to the downside, above this level the technical will warn that the USD 30,125 fractal high could come under pressure.
- Where do I start. The Jan and the rolling front month technical will tell us two different things, but in context we will try and make sense of it. In theory, in the Jan outright, downside moves should be considered as countertrend. However, due to the roll on the rolling chart, the depth of the pullback is suggesting that the probability of the futures trading to a new high has decreased, the MA on the RSI has naturally started to turn lower with it, warning of momentum weakness. The fact that we are below the intraday fractal at USD 21,875 tells us that the bullish Elliott wave cycle is no longer a factor, suggesting that upside moves on the rolling front month will be countertrend, making USD 26,125 the key resistance to follow. If we move lower from here, we should in theory hold above the USD 16,155 level, and move higher (based on the Jan outright). At this point, we will be able to give more accurate resistance levels which we will blend between the outright on the rolling contract. Jan support levels on the outright to follow are at USD 17,406, USD 16,875, and USD 16,155.

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