

FIS Capesize Intraday

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Capesize Feb 24 Morning Technical Comment – 240 Min (outright)



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,000		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below 8—21 period EMA's
- RSI is below 50 (34)
- Stochastic is below 50
- Price is above the daily pivot USD 11,625
- The futures have rolled into the February contract resulting in price dropping USD 7,000. We are now below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting; however, this is because we are using for this day only the Feb outright pivot point.
- A close on the 4-hour candle above USD 11,625 with the RSI at or above 54 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 17,956 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the roll means we now have a 3-wave corrective pattern lower, known as an A-B-C correction. In theory, this means that we are potentially on the final corrective wave lower on the daily technical. From an intraday perspective, it is a little hard to establish where we are on the wave C due to the data gap created by the roll. The fact that we are below the base of the wave A (USD 13,875) would suggest that we should look at termination points at the 61.8% and 100% Fibonacci projection levels (USD 11,167 and USD 5,075). With the Index still around the USD 28,000 level, we are overextended to the downside, meaning we will need to see a strong index sell off in the NY to justify these levels, implying USD 8,488 could also be a level of interest. Bearish, but hard to justify a move lower as we are trading at a USD 16,000 discount to the index.

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