FIS

Capesize Intraday

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Capesize Mar 24 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	21,491	R1	22,525			
S2	18,750	R2	23,525	21,750	RSI above 50	
S3	18,504	R3	25,000			

Synopsis - Intraday   Source Bloomberg

- Price is above the 8—21 period EMA's

- RSI is above 50 (59)

- Stochastic is above 50

- Price is above the daily pivot USD 21,491

- Technically bullish in the previous report, the MA on the RSI was flat with price moving lower on a negative divergence, warning support levels were starting to look vulnerable. The futures were testing the weekly pivot support at USD 20,450, a close on the daily technical below this level would further weaken the buyer's argument, meaning we could see the USD 18,750 fractal support being tested and broken. If it was, then it would indicate that this phase of the bull cycle has completed, meaning the intraday technical would be bearish. Key longer-term support was at USD 15,578; a move lower that held above this level would warn that there was a larger, bullish Elliott wave cycle in play. The futures held above the USD 20,450 support, resulting in a small move higher. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.

- A close on the 4-hour candle above USD 21,491 with the RSI at or above 62.5 will mean price and momentum are aligned to the buyside. Likewise, a close below this level with the RSI at or below 58 will mean it is aligned to the sell side. Downside moves that hold at or above USD 15,578 will support a bull argument, below this level the technical will have a neutral bias.

- Unchanged technically, we remain bullish with intraday Elliott wave analysis suggesting that we have a potential upside target at USD 26,475. However, a move above USD 22,525 will create a second negative divergence with the RSI, warning we have the potential to see a momentum slowdown, suggesting caution on upside breakouts at this point. Downside moves below USD 18,750 will warn that this phase of the Elliott wave cycle has completed; however, corrective moves lower that hold at or above USD 15,578 will imply that there is potentially a larger bullish Elliott wave cycle in play. Based on the Q3 technical that went out this morning with the Q2 v Q3 spread report, our Elliott wave analysis suggests that this could be the case.