

FIS Capesize Intraday

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Capesize Mar 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	20,725	R1	21,925	RSI above 50		
S2	18,750	R2				22,525
S3	18,504	R3				23,525
					25,000	

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (58)
- Stochastic is oversold
- Price is below the daily pivot USD 20,725
- Technically bullish yesterday, the MA on the RSI was flat to bearish, with the RSI rejecting the average previously. This warned that momentum was showing signs of weakness, warning that the USD 18,750 fractal support was starting to look vulnerable. We maintained a cautious view on upside moves. The futures traded to a low of USD 20,375, meaning we closed below the weekly pivot level (USD 21,508), warning support levels were vulnerable. However, we have opened above the daily pivot point (gapped higher), resulting in the futures finding bid support. 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 20,725 with the RSI at or above 60 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. Downside moves below USD 18,750 will warn that this stage of the bullish intraday Elliott wave cycle has completed. However, downside moves that hold at or above USD 15,578 will warn that there is potentially, a larger bullish higher timeframe wave cycle in play. If this level is broken, then the probability of the futures trading to a new high will start to decrease.
- The futures produced a bearish close yesterday; however, the open is indicating momentum is supported based on price, as we are back above the weekly pivot point (USD 21,508), if we close above this level then it will suggest that the USD 22,525 fractal high could be tested and broken. Likewise, if we close back below the weekly pivot level will signal upside rejection, warning of bearish sellers at higher levels. Intraday Elliott wave analysis continues to suggest that we have a potential upside target at USD 26,475 for this phase of the cycle; however, as previously noted, we have a note of caution above USD 22,525 as it will create a negative divergence with the RSI.

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