

FIS Capesize Intraday

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Capesize April 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	28,750	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is on the 8—21 period EMA's
- RSI is above 50 (52)
- Stochastic is below 50
- Price is on/below the daily pivot USD 31,958
- Unchanged on the technical yesterday. Price has closed above the weekly pivot level, but the MA on the RSI continued to warn of momentum weakness, the RSI was finding resistance on its average. As previously noted, we had a note of caution due to the rule of alternation between the wave 2 and the wave 4, as it suggested that this current corrective wave should potentially be deeper than it was, meaning we maintained a cautious view on upside moves. If we failed to hold and closed on the daily chart back below the weekly pivot level (USD 33,375) it would warn of momentum weakness I.E., yesterday's move higher would have created a false breakout. The futures had a strong move lower to close back below the weekly pivot level. Price is below all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 31,958 with the RSI at or above 53 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 25,210 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 34,817 will leave the futures vulnerable to further tests to the downside, above this level the USD 37,750 fractal high will start to look vulnerable.
- Technically bearish, the downside move yesterday meant that the bearish Head and Shoulders pattern that we highlighted last week is now in play. We noted in the close report last night that if the H&S pattern played by the rules that we had a two potential downside targets at USD 28,542 and USD 26,250. The move lower this morning means we are testing first of these two support levels. The longer-term Elliott wave cycle is suggesting that downside moves should be considered as countertrend at this point; however, in the near-term, the MA on the RSI is implying that momentum is weak with the RSI making new lows. This suggests that upside resistance levels should in theory hold if tested, indicating there is possibly further downside within this corrective phase.

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