

FIS Capesize Intraday

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Capesize April 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	22,375	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Price is below the daily pivot USD 26,583
- Technically bullish yesterday (in terms of the longer-term Elliott wave cycle), the futures were in a corrective wave 4 on a higher timeframe, meaning key support was at USD 20,837. If broken, then the probability of the futures trading to a new high would start to decrease. The MA on the RSI continued to warn that momentum remained weak whilst price was below the weekly pivot level (USD 30,291). The RSI is making new lows but the stochastic is in divergence as was our MACD on a lower timeframe, not a buy signal it warned that we could see a momentum slowdown which would need to be monitored. The futures have continued to move lower with the lower timeframe divergence failing, we are below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 26,583 with the RSI at or above 43 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 20,837 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 30,917 will leave the futures vulnerable to further tests to the downside, above this level the USD 35,125 and USD 37,750 fractal high will start to look vulnerable.
- The futures are now approaching our key support at USD 20,837, if broken, it will warn that the probability of the futures trading to a new high will start to decrease. This will also bring into question the longer-term bullish Elliott wave cycle, as it would suggest that it has a higher probability of failing. Near-term price action remains bearish with the divergences failing, implying upside moves should be considered as countertrend in the near-term, as the corrective cycle has extended to the downside. The MA on the RSI is indicating that momentum remains weak having closed below the weekly pivot level yesterday, meaning support levels remain vulnerable.

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