

FIS Capesize Intraday

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Capesize April 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	21,375	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 (31)
- Stochastic is oversold
- Price is below the daily pivot USD 23,641
- The futures were approaching our key support at USD 20,837 yesterday, if broken, it would warn that the probability of the futures trading to a new high would start to decrease. This would also bring into question the longer-term bullish Elliott wave cycle, as it would suggest that it had a higher probability of failing. Near-term price action remained bearish with the divergences failing, implying upside moves should be considered as countertrend in the near-term, as the corrective cycle had extended to the downside. The MA on the RSI indicated that momentum remained weak having closed below the weekly pivot level previously, meaning support levels remained vulnerable. The futures continue to move lower but remain above the USD 20,837 support at this point. 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 23,641 with the RSI at or above 42 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 20,837 will support a longer-term bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 30,407 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.
- Technically we are unchanged this morning. The futures are moving lower with the MA on the RSI warning that momentum remains weak at this point. Due to the corrective cycle extending to the downside, we maintain our view that upside moves look like they could be countertrend. The USD 20,837 support remains vulnerable, if broken, then it will warn that the longer-term bull wave cycle has a greater chance of failing. It will also imply that the probability of the futures trading to a new high will start to decrease. Price is trading around the intraday 200-period MA (USD 21,583), a close below that holds below this level will further support a seller's argument. Likewise, if we close above and hold above it, then we could see a countertrend move higher.

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