

# FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

## Capesize May 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	25,875		RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (45)
- Stochastic is above 50
- Price is below the daily pivot USD 26,125
- Technically we are unchanged on the last report a week ago. The futures were moving lower with the MA on the RSI warning that momentum remained weak. Due to the corrective cycle extending to the downside, we maintained our view that upside moves looked like they could be countertrend. The USD 20,837 support remained vulnerable, if broken, it would warn that the longer-term bull wave cycle had a greater chance of failing. It would also imply that the probability of the futures trading to a new high would start to decrease. Price was trading around the intraday 200-period MA (USD 21,583), a close below that held below this level would further support a seller's argument. Likewise, if we closed above and held above it, then we could see a countertrend move higher. The futures failed to hold below the 200-period MA with price moving higher on the back of the roll into May. Having rejected the 55-period EMA we have seen a small technical pullback, meaning price is below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 26,125 with the RSI at or below 42.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. 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 bearish with our intraday Elliott wave analysis suggesting upside moves look like they could be countertrend at this point. The MA on the RSI is implying that momentum is supported, if the RSI does start closing below its average, it will warn that support levels could come under pressure. Likewise, a close on the daily candle below the weekly pivot level (USD 26,041) will imply that sell side pressure is increasing. If the RSI holds above its average, we could still see a move higher; however, we will need to see price and momentum become aligned to the buy side for resistance levels to look vulnerable.

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