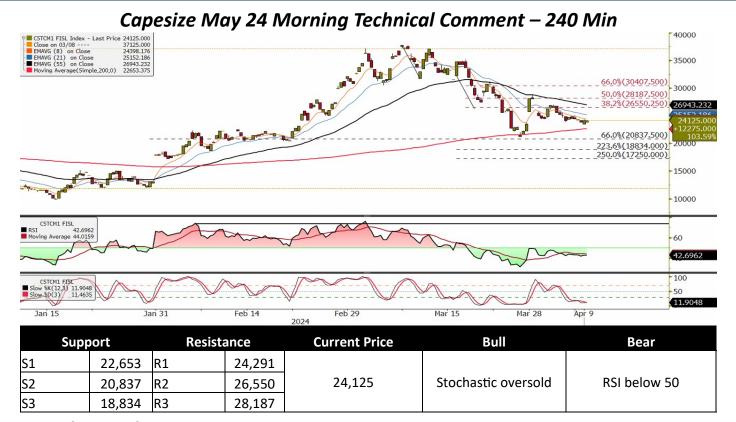
<u> EMISSIONS | OIL | FERROUS | <mark>FREIGHT</mark> | AGRI | MET</u>ALS | ENERGY | PHYSICAL FREIGHT

FIS

Capesize Intraday

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Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot USD 24,291
- Technically bearish yesterday, the upside move on the open had rejected the weekly pivot level (USD 25,125), resulting in price selling lower. We noted that if we closed on the daily candle below this level, it would warn that sell side pressure is increasing, implying support levels could come under pressure. As previously noted, our intraday Elliott wave analysis continues to suggest that upside moves look like they could be countertrend. The futures closed below the weekly pivot level with price below the 8-21 period EMA's this morning. The RSI is below 50 with price and momentum aligned to the sell side.
- A close on the 4-hour candle above USD 24,291 with the RSI at or above 46.5 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 bearish with price below the daily and weekly pivot levels. The MA on the RSI is flat, implying sell side momentum is neutral with the RSI is below the MA. In theory, intraday Elliott wave analysis is suggesting that upside moves look to be countertrend at this point. However, we have the 200-period MA support at USD 22,653; this is a benchmark average, making it a natural area of support. If we close below and hold below the average, it will warn that the USD 20,837 level could be tested and broken. Likewise, if we hold support and close back above the weekly pivot level (USD 25,125) it will indicate that momentum is turning to the buyside, leaving resistance levels vulnerable. The technical is now at an inflection point, the MA is sloping higher, indicating there could be potentially longer-term support in the market, making this a dangerous area for fresh market sellers. We are cautious on downside moves at this point, as the intraday technical has the potential to be vulnerable to short covering in the market at these levels.

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