

# FIS Capesize Intraday

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## Capesize August 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	21,450	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 (34)
- Stochastic is oversold
- Price is above the daily pivot level USD 21,408
- Technically bearish with price below the 200-period daily and weekly averages on Friday, we were yet to close and hold below them. The intraday RSI had tested and breached the RSI support, but was now back above it, implying we are seeing momentum support at lower levels. Countering this, the MA on the RSI implied momentum was weak. We were below the benchmark averages; however, we maintained a cautious view at that point, as we were yet to see a confirmation of the MA break.
- The futures traded to a low of USD 20,875, meaning we have closed below the longer period MAs on the higher timeframe; However, we are yet to see if we hold below them. The futures have found light bid support on the open this morning, but we remain below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle above USD 21,408 with the RSI at or above 39.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 23,713 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are finding bid support having been overextended to the downside, we now have a minor positive divergence in play; however, the MA on the RSI continues to warn that momentum is weak at this point. Intraday Elliott wave analysis is suggesting that upside moves should be considered as countertrend, making USD 23,713 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new high will start to decrease. We highlight this, as the futures will roll tomorrow with the Sep trading at a USD 3,000 premium, warning we might not get the final leg lower. We remain cautious on downside moves at these levels, as despite closing below the longer-term averages, we are yet to confirm that we will hold below them, whilst the futures are also divergent.

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