

# FIS Capesize Intraday

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## Capesize Sep 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	22,025	R1	23,373	Stochastic oversold	
S2	21,615	R2	24,040		
S3	21,058	R3	25,375		

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- Price is above the daily pivot level USD 20,375
- Technically bearish on Monday, the futures were finding bid support having been overextended to the downside, we had a minor positive divergence in play; however, the MA on the RSI continued to warn that momentum was weak. Intraday Elliott wave analysis suggested that upside moves should be considered as countertrend, making USD 23,713 the key resistance to follow. A move above this level would warn that the probability of the futures trading to a new high would start to decrease. We highlighted this, as the futures would soon rollover, with the Sep trading at a USD 3,000 premium, warning we might not get the final leg lower. We remained cautious on downside moves at these levels, as despite closing below the longer-term averages, we were yet to confirm that we will hold below them, whilst the futures are also divergent.
- The August sold to a low of USD 19,500 yesterday before price gapping higher on the roll into Sep this morning. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 20,375 with the RSI at or below 32.5 will mean price and momentum are aligned to the sell side. Note, the pivot and RSI are distorted today due to the roll.
- Technically bearish, the depth of the move lower means that we have seen a wave extension to the downside, implying upside moves look like they should be countertrend. However, although the financials have been selling the August heavily, they have failed in keeping the Sep contract below the USD 23,373, meaning the probability of the futures trading to a new low has started to decrease, the technical now has a neutral bias. Downside moves that hold at or above USD 21,058 will support a near-term bull argument, making this the key level to follow, if broken, then the futures will be back in bearish territory.

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