

FIS Capesize Intraday

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Capesize Oct 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	30,250	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot level USD 29,391
- Technically bullish but in a corrective phase on the previous report, the MA on the RSI implied that momentum was neutral. We maintained our view based on intraday Elliott wave analysis that downside moves look to be countertrend, making USD 26,043 the key support to follow. Below this level the probability of the futures trading to a new high would start to decrease. As noted previously, for upside continuation, futures would need to close above the USD 29,950 fractal resistance.
- The futures moved higher yesterday before trading above and closing above the USD 29,950 fractal resistance this morning. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 29,391 with the RSI at or below 50.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 26,403 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is indicating that momentum is supported. The move above USD 29,950 is suggesting that we should test and trade above the USD 30,875 fractal high. Our intraday Elliott wave analysis suggests that if we do trade above fractal resistance, then in theory we have a potential upside target at USD 35,048. However, a new high will create a negative divergence with the RSI, not a sell signal it is a warning that we have the potential to see a momentum slow-down above USD 30,875. We now have a note of caution on upside breakouts, as lower timeframe momentum indicators are suggesting that unless we see some form of Elliott wave extension, upside breakouts could struggle to hold.

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