

FIS Capesize Intraday

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Capesize Nov 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	26,250		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is below 50
- Price is above the daily pivot level USD 25,558
- Technically bearish on the previous report (weds), the 4-hour divergence had failed; however, the 1-hour divergence remained in play. We were back trading in the consolidation zone that formed between Jun and August, whilst faster moving momentum indicators were oversold, we also had the daily 200-period MA at USD 24,834. Intraday Elliott wave analysis did suggest that upside moves had the potential to be countertrend; however, we noted that had three separate variables suggesting caution on downside moves. For this reason, the futures were not considered a technical sell at those levels.
- The futures are now moving higher with price between the 8-21 period EMA's, the RSI remains below 50 with intraday price and momentum aligned to the buy side.
- A close on the 4-hour candle below USD 25,558 with the RSI at or below 31.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 29,580 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is implying that we have light momentum support. The futures are approaching the 200-period MA (USD 26,502), a close above that holds above this level will warn that the Fibonacci resistance zone could come under pressure, a rejection of the average will leave support levels vulnerable. Key resistance remains unchanged at USD 29,580, a move above this level will warn that the probability of the futures trading to a new low will start to decrease. In theory, our intraday Elliott wave analysis is suggesting that the move higher looks like it will be countertrend. However, with a Chinese policy meeting tomorrow, we do have a note of caution, as this could potentially change the psychological footprint of the market to bullish.

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