

FIS Capesize Intraday

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Capesize Dec 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	12,449	R1	13,000	Stochastic oversold	RSI below 50
S2	11,328	R2			
S3	9,900	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8–21 period EMA's
- RSI is below 50 (26)
- Stochastic is oversold
- Price is below the daily pivot level USD 14,683
- Technically bearish yesterday, the divergence had failed, whilst the MA on the RSI was implying that momentum is weak. Fibonacci extension levels warned that we could target the USD 12,449 level in the near-term, as this was the 161.8% projection level (textbook Elliott wave 3 target). Upside moves were considered as countertrend, a close above the high of the last dominant bear candle (USD 15,550) would imply that buyside pressure was increasing, warning we could be about to enter a countertrend move higher.
- The futures traded to a low of USD 13,625 yesterday before finding bid support, we traded lower on the day; however, the daily candle did indicate bullish downside rejection, warning of short covering in the market. A bearish open has put price below yesterday's close, meaning we are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 14,683 with the RSI at or above 32 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 22,657 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the rejection yesterday warned that we were seeing buyside support in the market. The move to a new low below USD 13,625, is considered a sell signal (Williams). However, technically, I am looking at it from a warning perspective, as the new low today has created a minor positive divergence with the RSI, whilst the index move lower today means it is also in divergence. Not a buy signal, it does warn that we could see a momentum slowdown, which needs to be monitored. We are now a cautious bear at these levels, but maintain our view that upside moves look like they could be countertrend.

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