

FIS Capesize Intraday

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Capesize Jan 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	10,425	11,175	Stochastic oversold	RSI below 50
S2	6,112			
S3	4,062			
R1	11,300			
R2	15,396			
R3	16,932			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Price is below the daily pivot level USD 11,300
- Technically bearish yesterday, the MA on the RSI implied that momentum was supported; however, our Elliott wave analysis continued to suggest that upside moves looked like they will be countertrend, making USD 19,014 the key resistance level to follow. We noted that if we do trade above this level, then the probability of the futures trading to a new low would start to decrease. In theory, we should trade below the USD 10,425 fractal low, at this point the futures would become divergent with the RSI, suggesting caution on downside breakouts below this level.
- The futures have seen a small move lower. We are below all key moving averages with the RSI below 50, intraday price and momentum is conflicting.
- A close on the 4-hour candle below USD 11,300 with the RSI at or below 29.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. Upside moves that fail at or below USD 19,014 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical today, we remain bearish with the MA on the RSI implying that we have light momentum support. Elliott wave analysis continues to suggest that upside moves look like they will be countertrend, making USD 19,014 the key resistance level to follow. If we trade above this level, then the probability of the futures trading to a new low will start to decrease. As noted yesterday, in theory, we should trade below the USD 10,425 fractal low, at which point the futures will become divergent with the RSI, suggesting caution on downside breakouts below this level.

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