

FIS Capesize Intraday

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Capesize Jan 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	9,800	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA’s
- RSI is below 50 (28)
- Stochastic is oversold
- Price is below the daily pivot level USD 10,833
- Unchanged on the technical yesterday, we remained bearish with the MA on the RSI implying that we had light momentum support. 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. If we traded 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.
- The futures have sold to a new low, meaning we are in divergence with the RSI. Price is below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 10,833 with the RSI at or above 33.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 11,696 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 indicating that we have light momentum weakness; however, with the futures now in divergence with the RSI, we have a note of caution on downside moves at these levels.

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