

FIS Capesize Intraday

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Capesize Jan 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,125		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (35)
- Stochastic is below 50
- Price is above the daily pivot level USD 10,091
- Technically bearish yesterday, the rejection of the USD 11,679 resistance warned that the USD 9,600 fractal low could come under pressure. However, we noted that a new low would create a second positive divergence with the RSI. Not a buy signal, it warned that we could see a momentum slowdown, which needed to be monitored. Price action suggested that we could trade to new lows; due to the divergence, we are cautious on moves lower, the conflicting technical meant we were neutral.
- The futures traded to a low of USD 9,875 before finding light bid support. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 10,091 with the RSI at or above 38 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 33.5 will mean it is aligned to the sell side. Upside moves that fail at or below USD 11,679 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 again this morning. We remain bearish with the MA on the RSI implying that momentum remains supported. Below USD 9,600 the futures will be in divergence with the RSI, warning sell side momentum could slow down, meaning we are cautious on downside breakouts below this level. However, higher timeframe Elliott wave analysis continues to suggest that upside move should be considered as countertrend.

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