

FIS Capesize Intraday

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Capesize Feb 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,875	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA’s
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the daily pivot level USD 9,808
- Technically bearish yesterday, the MA on the RSI was flat, indicating momentum was neutral. We continued to have a note of caution on downside moves due to the divergence in play. However, we maintained our view based on higher timeframe wave analysis that upside moves look like they could be countertrend.
- The futures continue to move higher; we are above the 8-21 period EMA’s with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 9,808 with the RSI at or below 38.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 11,135 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are testing the USD 11,135 resistance. If broken, it will warn that the USD 12,750 fractal high could be tested and broken, meaning the futures will be bullish based on price. However, higher timeframe Elliott analysis is suggesting that upside moves should in theory be countertrend, making USD 21,068 the key resistance to follow. Two points of note 1) the RSI is making new highs with price, suggesting intraday moves lower should find bid support in the near-term. 2) We have downside gap from the roll at the end of Nov, markets like to try and close gaps, if we do see a strong push, they will be targeting USD 17,700.

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