

FIS Capesize Intraday

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Capesize Feb 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,425	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 (51)
- Stochastic is overbought
- Price is below the daily pivot level USD 10,741
- Technically bearish on Friday, the futures were testing the USD 11,135 resistance. If broken, it would warn that the USD 12,750 fractal high could be tested and broken, meaning the futures would be bullish based on price. However, higher timeframe Elliott analysis suggested that upside moves should in theory be countertrend, making USD 21,068 the key resistance to follow. We made 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 had downside gap from the roll at the end of Nov; we noted that markets like to try and close gaps, if we did see a strong push, they would be targeting USD 17,700.
- The futures traded to a high of USD 11,500 before seeing an intraday pullback. We remain above the 8-21 period EMA's with the RSI near-neutral at 51, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 10,741 with the RSI at or below 44 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side.
- Technically bearish with a neutral bias, the upside moves above USD 11,135 is warning that the USD 12,750 resistance is vulnerable. We noted on Friday that the RSI was making new highs with price, suggesting intraday moves lower should find bid support in the near-term. We also note that corrective moves tend to consist of 3-waves, supporting our analysis that downside moves should find bid support in the very near-term. As previously noted, higher timeframe Elliott analysis is suggesting that upside moves should in theory be countertrend, making USD 21,068 the key resistance to follow.

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