

FIS Capesize Intraday

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Capesize Feb 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	8,525	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 (39)
- Stochastic is oversold
- Price is below the daily pivot level USD 8,641
- Technically bearish yesterday, the MA on the RSI implied we had light momentum weakness. As noted on Friday, the breach in the USD 9,124 support warned that we could be in the early stages of a bearish impulse Elliott wave 5, meaning the USD 7,900 fractal low was vulnerable. If broken, wave analysis suggested that we could trade as low as USD 2,012; however, a new low would create a positive divergence with the RSI, meaning we had a note of caution on downside breakouts below USD 7,900.
- The futures consolidated for the remainder of the session with price USD 25 lower this morning. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 8,641 with the RSI at or above 47 will mean price and momentum are aligned to the buyside. 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.
- Unchanged on the technical this morning, the futures remain in a bearish trending environment with the MA on the RSI implying momentum is weak, the move below USD 9,124 is suggesting we could be in the early stages of a bearish impulse Elliott wave 5, warning the USD 7,900 fractal low should in theory be tested and broken., However, we maintain a note of caution on downside breakouts, as the futures will be in divergence below this level.

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