

# FIS Capesize Intraday

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## Capesize Feb 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	7,350	7,700	Stochastic oversold	RSI below 50
S2	6,975			
S3	6,441			
	R1			
	R2			
	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below (37)
- Stochastic is oversold
- Price is below the daily pivot level USD 7,916
- Technically bearish yesterday, the futures were in divergence with the RSI; not a sell signal it warned that we could see a momentum slowdown, which needed to be monitored. Lower timeframe Elliott wave analysis suggested we had the potential to trade as low as USD 7,114 within this phase of the cycle (Note: the lower timeframe wave cycle was sub-1-hour). If we moved higher but reject the USD 10,208 level, it would indicate that there could be a larger wave cycle in play, meaning we could in theory trade as low as USD 2,012. From technical perspective, the divergence means we had a note of caution on moves lower at these levels.
- The futures found light bid support before seeing another small move lower on the open this morning. We are below all key moving average 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 7,916 with the RSI at or above 41.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 10,140 will leave the futures vulnerable to further tests to the downside, above this level the technical will have neutral bias.
- Technically bearish, the downside move on the open has created a minor divergence with the RSI (there are now 4 divergences in play). However, it looks like we maybe seeing a lower timeframe Elliott wave extension to the downside (note this is still sub-1-hour, so should be treated with caution), meaning intraday upside moves could be countertrend in the very near-term. Wave analysis suggests that we have the potential to trade as low as USD 6,975 within this phase of the cycle. A cautious bear, upside moves above USD 10,140 will warn that the probability of the futures trading to a new low has started to decrease.

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