

FIS Capesize Intraday

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Capesize Feb 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	8,625		RSI below 50
8,191	9,028			
S2	R2			
7,500	9,500			
S3	R3			
7,350	10,140			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA’s
- RSI is below (46)
- Stochastic is below 50
- Price is above the daily pivot level USD 8,191
- Technically bearish yesterday, the futures were finding bid support off the back of the positive divergence with the RSI. We noted on Friday that there might be a lower timeframe wave extension to the downside; however, it was marginal and on the sub-hour chart. With 4 divergences in play, we remain cautious on moves lower, regardless of any potential wave extension.
- The futures continue to move higher with price now above the 8-21 period EMA’s, the RSI remains below 50 with price and momentum aligned to the buy side.
- A close on the 4-hour candle below USD 8,191 with the RSI at or below 44.5 will mean price and momentum are aligned to the Sell side. 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 MA on the RSI is implying that we have light momentum support. The RSI at 47 (46.9) is now approaching 50; if we move above and hold this level, it will warn that resistance level could come under pressure. However, if we reject the 50 level whilst price is below the 10,140 level, the futures will be vulnerable to a technical pullback. As noted previously, we remain cautious on downside moves due to the numerous divergences that are in play, as they suggest correct moves lower will struggle to hold.

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