

# FIS Capesize Intraday

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## Capesize April 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	17,549	R1	18,625	RSI above 50	
S2	16,375	R2			
S3	14,783	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (60)
- Stochastic is below 50
- Price is below the daily pivot level USD 19,058
- Technically bullish yesterday, the futures were in a corrective phase; however, we noted that the pullback was not yet deep enough to confirm that we had entered a corrective Elliott wave 4. A close below USD 19,238 on the daily candle would imply that we were seeing higher timeframe weakness, warning resistance levels could come under pressure in the near-term. Conversely, if we traded to a new high, it would signal a wave extension within the existing cycle. The RSI had broken support on the move lower, suggesting upside moves could struggle to hold in the very near-term, as above USD 21,375 the futures would be in divergence. The technical looked like it could be in the early stages of a corrective Elliott wave 4; however, we await confirmation from our lower timeframe momentum indicators, suggesting there should be further downside. Our Elliott wave analysis implied that downside moves should be considered as countertrend.
- The futures found bid support post index to close at USD 19,375, meaning we held above the USD 19,238 level. However, we have seen light momentum weakness on the open this morning. We are between the 8-21 period EMA with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 19,058 with the RSI at or above 73.5 will mean price and momentum are aligned to the buy side. Downside moves that held at or above USD 14,783 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged on the technical this morning, we remain bullish but in a corrective phase with downside moves considered as countertrend. We are still yet to confirm that we have entered an Elliott wave 4 at this point, meaning upside moves that trade above USD 21,375 will be an extension within the lower timeframe cycle. The RSI is making lower lows, but price has not (known as a bullish hidden divergence), this suggests that we could still see one more test to the upside in the near-term. However, these divergences almost always result in a negative divergence (as the RSI pullback is deeper than price), meaning a move higher is unlikely to hold if we do trade above USD 21,375 (this would effectively be an extension of the lower timeframe cycle).

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