

FIS Capesize Intraday

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Capesize April 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	21,375	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is below
- Price is above the daily pivot level USD 20,425
- Technically bullish but in a countertrend corrective wave 4 yesterday, the MA on the RSI implied that momentum remained weak. Fibonacci support levels had been revised lower in line with the Elliott wave cycle, making USD 15,650 the key support to follow; if broken, then the probability of price trading to a new high will start to decrease. The downside move on the open meant the futures are trading below the daily 200-period MA (USD 20,396), a close below that held below the average would warn that support levels could come under pressure in the near-term. We maintained our view that corrective moves lower look to be countertrend at this point.
- We failed to close below the daily 200-period MA yesterday (USD 20,383), resulting in price moving higher again this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 20,425 with the RSI at or above 58 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 15,650 will support a bull argument, below this level the Elliott wave cycle will have a neutral bias.
- Technically bullish, the MA on the RSI still suggests we have light momentum weakness. The upside move off the daily MA support is warning that the USD 22,557 resistance could come under pressure. If broken, it will warn that we could be in the early stages of a bullish impulse Elliott wave 5; if we are, then we should in theory trade above the USD 24,000 fractal high. However, a rejection of the USD 22,557 level will warn that there is likely to be further downside within this corrective phase. We are seeing bull support, whilst below the USD 22,557 resistance we do have a not of caution on moves higher. We maintain our view that corrective moves lower look to be countertrend at this point.

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