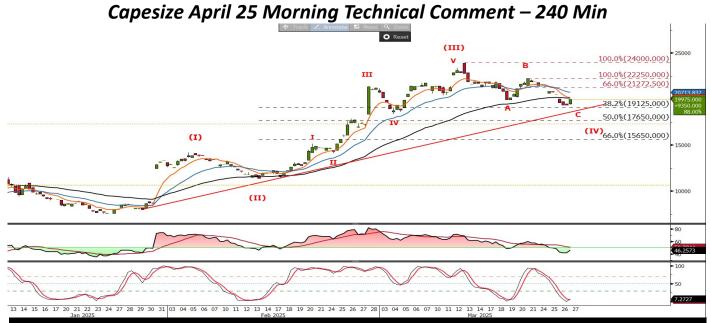
Capesize Intraday

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Support		Resistance		Current Price	Bull	Bear
S1	19,583	R1	21,272			
S2	19,125	R2	22,250	19,975	Stochastic oversold	RSI below 50
S3	18,579	R3	24,000			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8–21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is above the daily pivot level USD 19,583
- Technically bullish yesterday, the futures looked to be on a corrective Elliott wave C for this phase of the cycle. We were trading below the 55 -period EMA (USD 20,153) and noted that if we closed below and held below the average, then support levels would come under pressure. Likewise, a close above the EMA would warn that there is an underlying support in the market. The Downside breakout below USD 19,875 suggested that market sellers were looking to test trend support at USD 18,317 in the near-term. We highlighted that higher timeframe Elliott wave analysis suggested we were in a corrective wave 4, meaning this move lower was in theory going to be countertrend.
- The futures traded to a low of USD 19,375 yesterday; however, price has opened with light bid support this morning. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 19,583 with the RSI at or above 53 will mean price and momentum are aligned to the buyside; 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 but in a corrective phase, the futures remain above trend support (USD 18,579) but below the 55-period EMA (USD 20,090). A close above that holds above the average will warn that the USD 21,272 resistance could be tested and broken; if it is, then we target the USD 22,250 and USD 24,000 fractal resistance levels. Likewise, a rejection of the EMA (or the USD 21,272 level) will warn that there could be further downside within this corrective phase. As noted on last nights close report, market profile charts highlight the futures are trading in a support zone whilst our Elliott wave analysis suggests downside moves should be considered as countertrend, meaning we are cautious on corrective moves lower.

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