

***Capesize May 25 Morning Technical Comment – 240 Min***



Support		Resistance		Current Price		Bull		Bear	
S1	18,250	R1	19,287	18,625				RSI below 50	
S2	17,725	R2	20,529						
S3	16,250	R3	21,299						

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (49)
- Stochastic is overbought
- Price is above the daily pivot level USD 18,250
- Unchanged on the technical on Friday. The upside move above the USD 18,125 fractal resistance meant that that near-term price action is bullish, the Elliott wave cycle was bullish above USD 15,650 and neutral below. The MA on the RSI is flat, implying momentum is neutral; We noted that if the futures traded above and held above the 55-period EMA (USD 19,145), it would warn that the USD 21,299 resistance could be tested and broken. Conversely, if rejected, the technical could come under further pressure. The Tariff increases were becoming symbolic; however, it warned that Friday trading activity could become limited.
- Limited price action on Friday, the futures have moved higher this morning. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 18,250 with the RSI at or below 38.5 will mean price and momentum are 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. However, upside moves that fail at or below USD 21,299 will warn that there could be a larger, bearish, Elliott wave correction in play.
- Near-term price action remains bullish with price approaching, but remaining below the 55-period EMA (USD 19,071) at this point. A close above that holds above the average will warn that the USD 21,299 resistance could be tested and broken; if it is, it will indicate that we could be entering a higher timeframe bullish impulse Elliott wave 5. Conversely, if we reject the 55-period EMA, it will imply support levels could come under pressure. However, for downside continuation, the futures will need to see a daily close below the weekly pivot level (USD 17,725). The move above the USD 18,125 has momentum support, warning the 55-period EMA could be tested and broken.

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