

FIS Capesize Intraday

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Capesize May 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	16,250	R1	17,858		RSI below 50
S2	16,119	R2	18,075	17,200	
S3	15,650	R3	19,287		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (41)
- Stochastic is below 50
- Price is below the daily pivot level USD 17,858
- Technically the Elliott wave cycle was bullish but in a corrective phase on Thursday, below USD 15,650 it would become neutral, as the probability of the futures trading to a new high would start to decrease, increasing the probability that the wave cycle would fail. However, near-term price action remained neutral, as the futures were above the weekly pivot level (USD 17,725), but below the 55-period EMA (USD 18,820).
- A risk off mentality in US markets yesterday with both equity on bond prices falling (yields rising) has resulted in a move lower on the open today. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 17,858 with the RSI at or above 48 will mean price and momentum are aligned to the buy 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 is weakening with the futures opening below the weekly pivot level (USD 18,075). The wave cycle is considered as bullish but in a corrective phase, the consolidation break to the downside implies technical weakness, warning the we could look to test the 200-period MA USD 16,120 in the near-term. As noted previously, if we do trade below the USD 15,650 support, then the probability of price trading to a new high will start to decrease.

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