

FIS Capesize Intraday

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Capesize May 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	17,125	R1	18,075	Stochastic oversold	RSI below 50
S2	16,229	R2	19,287		
S3	15,650	R3	20,259		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is above the daily pivot level USD 17,425
- Near-term price action was weakening yesterday with the futures opening below the weekly pivot level (USD 18,075). The wave cycle was considered as bullish but in a corrective phase, the consolidation break to the downside implied 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 did trade below the USD 15,650 support, then the probability of price trading to a new high would start to decrease.
- President Trump's comments that he would not fire the head of the Federal reserve coupled and that he would play nice with China has resulted in the futures opening with light bid support. We are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 17,425 with the RSI at or above 47 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 42.5 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. 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.
- Technically we remain bullish but in a corrective phase, the MA on the RSI is flat, whilst price and momentum are conflicting. A daily close above the weekly pivot level (USD 18,075) will imply that buy side pressure is increasing, warning resistance levels could come under pressure. A rejection of this level will leave support levels vulnerable. Technically, our wave analysis suggests the move lower is countertrend.

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