

FIS Capesize Intraday

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Capesize June 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	20,873	R1	21,299	20,875	RSI above 50	Stochastic overbought
S2	18,275	R2	22,262			
S3	17,150	R3	23,900			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is above the daily pivot level USD 20,873
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported, whilst price had closed above a key daily average, warning the USD 21,299 resistance could be tested and broken. If it was, then the USD 24,000 fractal high was likely to come under pressure; likewise, if rejected, it would warn that there is a larger, bearish wave cycle in play. Technically we were bullish with Elliott wave analysis suggesting downside moves should be considered as countertrend. However, market buyers should be aware that we have the 200-period weekly MA at USD 21,635, meaning there is resistance block above the USD 21,299 level.
- The futures have traded up to but rejected the USD 21,299 level on the open (high 21,300). I would class this resistance as still intact, as the technical high trade on the 13/03 was at 24,000 (not traded with us), where as we have it marked as 23,900 . We remain above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 20,873 with the RSI at or below 54.5 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 (revised at USD 21,365) will warn that there could be a larger, bearish, Elliott wave correction in play.
- Technically bullish, the MA on the RSI implies that momentum is supported, whilst price has closed above the daily 200-period MA; however, we are seeing intraday upside rejection at this point. If we trade above the USD 21,365 level it will warn that the USD 24,000 fractal high could be tested and broken. However, like yesterday, we are mindful of the weekly 200-period MA at USD 21,635, as it has the potential to act as a resistance. Our Elliott wave analysis does suggest that downside moves should be considered as countertrend at this point.

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