

FIS Capesize Intraday

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Capesize June 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	19,375	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot level USD 19,016
- The Elliott wave cycle remained bullish with downside moves considered as countertrend yesterday. The upside move previously and yesterday morning meant price was back above the 200-period MA (USD 18,280) and the 55-period EMA (USD 18,901), implying we were starting to see buyside support. We noted that if the intraday futures traded above and close above the intraday fractal resistance at USD 19,375 it would further support a near-term buyers argument. Conversely, if we rejected the upside resistance and close back below the USD 18,280 level, it would suggest that we remained in the higher timeframe corrective phase. We were seeing signs of buyside support; however, we still needed to see further upside to convince that this move would hold.
- The futures remained supported yesterday with price trading on the fractal resistance this morning. We are 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 19,016 with the RSI at or below 45 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 15,684 (small revision higher) will support a bull argument, below this level the Elliott wave cycle will have a neutral bias.
- The Elliott wave cycle remains bullish but in a corrective phase; however, we are now trading on fractal resistance. Yesterday, I missed the daily 200-period MA at USD 19,408; for upside continuation, we are going to need to see a daily close above that holds above this level, not the USD 19,375 level. If we do, then the USD 21,365 resistance will become vulnerable; likewise, failure to move above this level will warn that the intraday 200-period MA at USD 18,360 could come under pressure. We are supported, the Elliott wave cycle suggests downside moves should be considered as countertrend, but we do need a bullish daily close to move higher.

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