

# FIS Capesize Intraday

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## Capesize July 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	18,050	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- Price is above the daily pivot level USD 17,400
- Near-term price action remained bearish yesterday with price approaching the USD 17,125 fractal support, the Elliott wave cycle was bullish above USD 15,684 and neutral below. We noted previously that we were seeing a momentum slowdown based on price, meaning we were cautious on moves lower; however, if we traded below the USD 17,125 level, it would warn that the USD 16,250 and USD 15,684 support levels could come under pressure. Price action was weakening, the RSI was approaching support, whilst price approached fractal support; if both were broken, the technical would warn that we move lower. Conversely, if support held, market sellers would need to be cautious. For upside continuation, we needed to see a close above the 200-period MA (USD 19,220).
- The futures held above the USD 17,125 fractal level yesterday, creating a trend support line. Precarious on the close, the futures have opened with bid support this morning, meaning the trend line has held. We are above 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 17,400 with the RSI at or above 50.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level with the RSI at or below 46 will mean it is aligned to the sell side. Downside moves that hold at or above USD 15,684 will support a bull argument, below this level the Elliott wave cycle will have a neutral bias.
- The futures are in a consolidation pattern, in the form of a symmetrical triangle, meaning directional bias will come from a close that holds outside of the pattern (USD 19,655—USD 17,230). I initially ran the trend resistance line from point (III), which warned that we were approaching the 75% area of the Apex; however, the last dominant bear wave starts at point B, meaning we have started the resistance line from there. If the move is to the downside, it will still need to break the USD 17,125 fractal support. In the near-term, we have held trend support, whilst the RSI has held support; if we close and hold above the 55-period EMA (USD 19,335), then we will look to test the 200-period MA at USD 19,265.

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