

FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Capesize July 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	16,412	R1	17,558	16,825	Stochastic oversold	RSI below 50
S2	16,138	R2	18,419			
S3	15,684	R3	18912			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (34)
- Stochastic is oversold
- Price below the daily pivot level USD 17,558
- Near-term price action was bearish yesterday whilst the longer-term Elliott wave cycle remained bullish above USD 15,684 and neutral below. The MA on the RSI implied that momentum was weak, whilst the failed upside breakout from the symmetrical triangle suggested support levels were vulnerable. If we closed and held on the daily timeframe below the daily 200-period MA, it would further weaken the technical.
- The futures continue to sell lower with price below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 17,855 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 15,684 will support a bull argument, below this level the Elliott wave cycle will have a neutral bias. Likewise, upside moves that fail at or below USD 19,580 will leave the futures vulnerable to further tests to the downside.
- Technically bearish, the MA on the RSI implies momentum is weak. Both price and the RSI are making new lows, suggesting intraday upside moves have the potential to be countertrend. However, we are 15% lower on the week with price now approaching a weekly fractal support at USD 16,250, we also have the 6-period RSI at 15 (not shown) suggesting we are starting to look a little overextended to the downside, meaning we have a note of caution on downside moves at this point.

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