

FIS Capesize Intraday

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

Capesize Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	17,650		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (45)
- Stochastic is overbought
- Price is below the daily pivot level (USD 17,775)
- Technically bearish yesterday, the futures continue to move higher in what looks to be a countertrend move. We were testing the daily 200-period MA (USD 17,969) and noted that this was a benchmark average. A daily close that held above the average will warn the Fibonacci resistance zone could come under pressure, making USD 19,512 the key resistance to follow. A move above this level will warn that the USD 19,900 fractal resistance could be tested and broken, which would take the technical into bullish territory. Conversely, if rejected, it would imply we could be entering another bear phase lower. We maintained our view that upside moves look like they should be countertrend; however, price was at an inflection point, and needed to either reject or break above the average.
- The futures traded above but failed to hold above the daily 200-period MA yesterday (USD 17,908), resulting in price seeing a small move lower on the open this morning. We are between the 8-21 period EMA' with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 17,775 with the RSI at or below 39 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is 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 19,512 will leave the futures vulnerable to further tests to the downside.
- The futures have failed to hold above the daily 200-period MA yesterday; however, the MA on the RSI is supported at this point, meaning for downside continuation, you will need to see price and momentum become aligned to the sell side. Likewise, a close below the low of the last dominant bull candle (USD 17,375) will indicate sell side pressure is increasing, warning the USD 16,625 fractal support could be tested and broken. As noted previously, momentum indicators suggest upside moves should in theory be countertrend.

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