

FIS Capesize Intraday

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Capesize Aug 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	17,375	R1	17,800	17,625		RSI below 50
S2	16,625	R2	18,327			
S3	16,412	R3	18,837			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (45)
- Stochastic is overbought
- Price is below the daily pivot level (USD 17,800)
- The futures failed to hold above the daily 200-period MA previously; however, the MA on the RSI was supported at that point, meaning for downside continuation, we would 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) would indicate that sell side pressure was increasing, warning the USD 16,625 fractal support could be tested and broken. As noted previously, momentum indicators suggested upside moves should in theory be countertrend.
- Light bid support on Friday, the futures are selling lower on the open this morning. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 17,800 with the RSI at or below 41 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. 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.
- Technically bearish, the upside move is losing buyside pressure having seen a small rejection of the 55-period EMA (USD 18,176). Intraday Elliott wave analysis suggests upside moves should be considered as countertrend, making USD 19,529 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low will start to decrease. The MA on the RSI continues to suggest that momentum is supported, meaning for downside continuation, price and momentum will need to be aligned to the sell side. Likewise, a close below the low of the last dominant bull candle will indicate sell side pressure is increasing.

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