

# FIS Capesize Intraday

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## Capesize Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	21,750	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 (68)
- Stochastic is overbought
- Price is above the daily pivot level (USD 21,443)
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported. The upside move to a new high yesterday meant that the 1-hour RSI was in divergence with price, this needed to be monitored. Although faster moving momentum indicators were overbought, whilst the 1-hour RSI was in divergence; the shallow pullback and bullish breakaway gap (above USD 21,000), implied that buyside pressure remained elevated, warning the USD 22,533 and USD 24,000 resistance levels were vulnerable. Elliott wave analysis continued to suggest that downside moves should be considered as countertrend.
- The futures traded to a high of USD 22,250 before entering a corrective phase. We noted on the close report yesterday that the bearish engulfing candle pattern warned that we could move lower today; however, downside moves should be considered as countertrend. The futures have opened with buyside support this morning having held the bullish breakaway gap. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 21,443 with the RSI at or above 72.5 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 18,537 will support a bull argument, below this level the near-term Elliott wave cycle will have a neutral bias.
- Technically bullish, the futures are holding above the bullish breakaway gap, meaning we could be forming a polarity support. Upside moves above USD 22,250 have the potential to produce a negative divergence with the RSI; not a sell signal, it is a warning that we could see a momentum slowdown which will need to be monitored. However, if we produce a bull candle on high August volume today, it will confirm the polarity support, meaning resistance level will become vulnerable. This would also suggest that the negative divergence has a greater chance of failing.

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