

# FIS Capesize Intraday

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## Capesize Sep 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	23,266	R1	24,875	25,450	RSI above 50	Stochastic overbought
S2	21,723	R2	26,447			
S3	20,750	R3	29,219			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Price is above the daily pivot level (USD 24,966)
- Technically bullish in the last report on the 22/07, the MA on the RSI implied that we had light momentum weakness. The futures were finding bid support due to the close above the weekly pivot level (USD 23,200), warning the USD 24,875 fractal high was vulnerable. If broken, there was a chance we could have a negative divergence, which needed to be monitored. Elliott wave analysis suggested that downside moves should be considered as countertrend, making USD 19,430 the key support to follow. Below this level, the probability of the futures trading to a new high would start to decrease.
- The futures traded to a high of USD 26,475 before selling to a low of USD 22,100 on the negative divergence with the RSI. We have now rolled into the Sep contract, resulting in price gapping higher and finding further bid support. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 24,966 with the RSI at or below 51 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 19,974 will support a bull argument, below this level the near-term Elliott wave cycle will have a neutral bias.
- Technically bullish, the futures are finding bid support due to our Elliott wave analysis, indicating downside moves should be considered as countertrend. Upside moves above USD 26,475 will create a second divergence with the RSI; not a sell signal, it is a warning that you could see a momentum slowdown, which will need to be monitored. However, a new high will also create a lower timeframe bullish Elliott wave extension, meaning downside moves should in theory still be considered as countertrend if we see an upside breakout. Having held the 55-period EMA and the Fibonacci support zone, the USD 26,475 resistance is looking vulnerable, implying we could be looking at a wave extension. We maintain our view that downside moves should be considered as countertrend at this point.

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