

FIS Capesize Intraday

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Capesize Sep 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	24,108	R1	25,575	24,500	RSI above 50	
S2	22,712	R2	26,447			
S3	21,550	R3	29,219			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (54)
- Stochastic is above 50
- Price is above the daily pivot level (USD 24,108)
- Technically bullish yesterday, The MA on the RSI was flat, implying momentum was neutral. The futures had gapped lower on the open, warning the Fibonacci support zone could come under pressure in the near-term. However, our Elliott wave analysis did suggest that downside moves should be considered as countertrend, making USD 19,974 the key support to follow. We were trading on the weekly pivot level (USD 24,291), meaning we were at an inflection point, a daily close above this level would imply there remained an underlying support in the market. Conversely, a close below USD 24,291 would indicate that sell side pressure was increasing, leaving support levels vulnerable.
- We consolidated for the remainder of the session with price closing below the weekly pivot level. We noted on the close report that the futures were going to need to see a bullish open due to the weaker close yesterday, whilst writing, price is back above the weekly pivot level. 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 below USD 24,108 with the RSI at or below 51.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 56 will mean it is aligned to the buy 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, having consolidated yesterday price is currently seeing light bid support. If we close back above the weekly pivot level (USD 24,291), it will indicate that there is an underlying support, warning the USD 25,575 fractal resistance could be tested and broken. If it is, then market bulls will target the USD 26,475 fractal high. Conversely, market longs will need to be cautious if we close below the USD 24,219 level for a second day, as it will indicate that selling pressure persists. As noted previously, our Elliott wave analysis does suggest that downside moves should be considered as countertrend.

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