

FIS Capesize Intraday

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Capesize Sep 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	26,550	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (52)
- Stochastic is above 50
- Price is below the daily pivot level (USD 27,700)
- Unchanged on the technical a week ago. We remained bullish with our Elliott wave analysis suggesting downside moves should be considered as countertrend. We noted that it look like we could be on a bullish Elliott wave 5; however, for confirmation we needed to trade above the USD 26,475 fractal high. If we did, then we have the potential to trade as high as USD 28,187 for this phase of the cycle. As noted previously, a new high would create a negative divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown, which needed to be monitored. We had a note of caution if we traded below USD 23,875, before we traded above the USD 26,475 level, as it would warn that we remained in the corrective Elliott wave 4, which would be becoming more complex. Key support remained unchanged at USD 19,974, if broken then the probability of the futures trading to a new high within this phase of the cycle would start to decrease. However, there was potentially a larger bullish cycle in play, meaning the higher timeframe Elliott wave cycle would only become neutral below USD 15,684.
- The futures traded to a high of USD 29,125 before entering into a corrective phase. Price is below the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 27,700 with the RSI at or above 65.5 will mean price and momentum are aligned to the buyside; . Downside moves that hold at or above USD 20,875 will support a bull argument, below this level the Elliott wave cycle would have a neutral bias.
- Technically bullish but in a corrective phase. Near-term support is at USD 25,660, if we hold above this level then the USD 29,125 resistance will remain vulnerable. Conversely, if broken, it will indicate that the futures could be entering a higher timeframe corrective Elliott wave 4. Price is moving lower on the negative divergence with the RSI, meaning support levels are vulnerable. However, our higher timeframe Elliott wave analysis suggests that downside moves should still be considered as countertrend.

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