

# FIS Capesize Intraday

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## Capesize Sep 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	27,291	R1	29,734	29,375	RSI above 50	Stochastic overbought
S2	26,183	R2	31,821			
S3	24,492	R3	34,453			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot level (USD 26,183)
- Bullish but in a corrective phase on Thursday, the MA on the RSI implied that momentum remained weak at that point. The lower-timeframe Elliott wave cycle looked to have completed; however, we still needed confirmation on the higher timeframe that we had entered a countertrend corrective Elliott wave 4. A close that held below the 55-period EMA would warn that Fibonacci support could come under pressure in the near-term. Support levels remain vulnerable but price needed to move below the 55-period EMA.
- The futures failed to move below the 55-period EMA (USD 26,060), meaning the higher timeframe corrective wave 4 was not confirmed, the futures traded above the USD 27,867 resistance, resulting in price trading to a new high. 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 26,183 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 20,953 will support a bull argument, below this level the Elliott wave cycle would have a neutral bias.
- Technically bullish, the upside move to a new high means we have seen an extension within the lower timeframe Elliott wave cycle. However, the upside move in the futures means we currently have two negative divergences in play. Not a sell signal, they are a warning that buyside momentum could slow, which will need to be monitored. If the near-term divergence fails, it will warn that there is still room for further upside within the lower timeframe Elliott wave cycle. With the higher timeframe Elliott wave cycle failing to confirm the corrective wave 4, downside moves should be considered as countertrend.

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