

# FIS Capesize Intraday

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## Capesize Oct 25 Morning Technical Comment – 240 Min



### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is below the daily pivot level (USD 28,883)
- Technically bullish but in a corrective phase on Thursday, the MA on the RSI was flat, indicating momentum was neutral. The futures were currently testing but holding above the 55-period EMA (USD 26,452), a close that held below this level will warn that the Fibonacci support zone could come under pressure. Conversely, whilst above the average, resistance levels would be vulnerable. With price moving lower on a divergence, on what looked to be the lower timeframe Elliott wave cycle completing, we did have a note of caution on upside moves in the near-term, as they could struggle to hold. However, our higher timeframe Elliott wave analysis suggested downside moves should be considered as countertrend, making USD 21,002 the key support to follow. Only below USD 21,002 is the wave cycle neutral.
- The futures gapped higher on the roll into October on Friday. However, we have seen bids fade with price now testing the 8-21 period EMA's. The RSI is above 50 whilst price and momentum are conflicting.
- A close on the 4-hour candle above USD 28,883 with the RSI at or above 59.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 55 will mean it is aligned to the sell side. Downside moves that hold at or above USD 21,002 will support a bull argument, below this level the Elliott wave cycle would have a neutral bias.
- Technically bullish, having gapped higher on the roll, the futures are now selling lower. As noted previously, with price moving lower on the negative divergence, we do have a note of caution on upside moves, as we will see further divergences above USD 29,500, suggesting upside breakouts could struggle to hold. Whilst above the 55-period EMA (USD 26,795) resistance levels remain vulnerable, a close that holds below it will warn that the Fibonacci support zone could come under pressure. Higher timeframe Elliott wave analysis continues to suggest that downside moves should be considered as countertrend. A cautious bull at these levels due to the divergence at higher levels.

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