

FIS Capesize Intraday

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Capesize Oct 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	27,591	R1	29,916	RSI above 50	
S2	27,264	R2	30,011		
S3	24,581	R3	30,796		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is below 50
- Price is above the daily pivot level (USD 27,591)
- Technically bullish but in a corrective phase in on Friday, the MA on the RSI implied that we had light momentum weakness. The failed upside breakout warned that support levels were vulnerable, a close below the 55-period EMA (USD 27,164) would weaken the technical further, leaving the Fibonacci support zone vulnerable. The longer-term Elliott wave cycle continues to suggest that downside moves should be considered as countertrend; however, we are cautious on moves higher in the near-term, as it looked like there should be further downside within this corrective phase.
- The futures have held the 55-period EMA once again, resulting in price moving higher this morning. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 27,591 with the RSI at or above 50 will mean price and momentum are 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 will have a neutral bias.
- Technically bullish, the symmetrical triangle pattern is no longer in play, as the futures have broken both upside and downside support. Price is supported having held the 55-period EMA (USD 27,263); however, above USD 29,500 the futures will create a third negative divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, meaning we are cautious on upside breakouts. For downside continuation, we will need to see a close that holds at or below the USD 27,263 level. From a technical perspective we could move higher from here, but the futures would not be considered a 'technical' buy, as momentum suggests we could struggle to hold.

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