

FIS Capesize Intraday

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Capesize Feb 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	15,406	R1	18,238	16,200	Stochastic oversold	RSI below 50
S2	13,634	R2	18,937			
S3	11,377	R3	19,885			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below the daily pivot level (16,250)
- Unchanged on the technical yesterday, we remained bearish with Fibonacci projection levels suggesting that we had a potential downside target at USD 15,406 for this phase of the cycle. The MA on the RSI had started to flatten, warning sell side momentum could be closing down; if price and momentum became aligned to the buyside, it would leave price vulnerable to an intraday move higher. Key resistance was at USD 19,885, above this level the probability of price trading to a new low would start to decrease. We maintained our view that lower timeframe Elliott wave analysis warned that intraday upside moves should be considered as countertrend.
- The futures have seen light bid support; however, we remain below all key moving averages with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 16,250 with the RSI at or above 32.5 will mean price and momentum are aligned to the buyside. Likewise, a close below this level with the RSI at or below 28 will mean it is aligned to the sell side. Upside moves that fail at or below USD 19,885 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical this morning, we remain bearish with Fibonacci projection levels suggesting we have a potential downside target at USD 15,406 for this phase of the cycle. The MA on the RSI is now, warning sell side momentum is slowing down; if price and momentum become aligned to the buyside, it will leave price vulnerable to an intraday move higher. Key resistance is unchanged at USD 19,885, above this level the probability of price trading to a new low will start to decrease. Lower timeframe Elliott wave analysis continues to suggest that intraday upside moves should be considered as countertrend.

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