

FIS Capesize Intraday

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Capesize March 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	28,625	R1	29,783	RSI above 50	
S2	27,672	R2	31,250		
S3	25,830	R3	31,496		

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is at 50
- Price is below the daily pivot level (29,783)
- Intraday Technical Tuesday Monday: cautious bull
- Sell-side pressure was starting to increase yesterday due to the negative divergence with the RSI, warning the USD 28,625 fractal support was becoming vulnerable. If broken, market sellers would target the USD 27,672 Fibonacci support. We identified this as a key level on the technical, if broken, then the probability of price trading to a new high within this phase of the cycle would begin to decrease. However, corrective throwbacks that held at or above USD 20,822 would warn that there could be a larger, bullish Elliott wave cycle coming into play. Price was below the weekly pivot level at USD 29,866, a daily close below this level would further weaken the technical. With price selling lower on the negative divergence, we maintained a cautious approach on higher moves at that point.
- The futures are now selling lower on the negative divergence with the RSI. 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 29,7836 with the RSI at or above 61.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 27,672 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: Price needs to break the USD 28,625 Fractal support
- Futures are moving lower on a negative divergence with the RI with price and momentum aligned to the sell side. The RSI is making new lows but price is not, meaning we have a potential positive reversal in play. If the futures fail to trade below the USD 28,625 support, then resistance will be vulnerable. Conversely, below USD 28,625 will result in momentum confirmation, warning support could be tested and broken. As highlighted previously, corrective throwbacks that held at or above USD 20,822 would warn that there could be a larger, bullish Elliott wave cycle coming into play. We have closed below the weekly pivot point, but now need to break fractal support.

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