

FIS Capesize Intraday

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Capesize April 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	23,242	R1	26,761	Stochastic oversold	RSI below 50
S2	20,992	R2	28,000		
S3	18,938	R3	28,125		

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot level (25,750)
- Intraday Technical Outlook Monday: bearish—inflection point as on 200-MA
- A strong bearish correction yesterday while the RSI moving average implied that momentum remained weak, suggesting that upside moves should in theory be countertrend, making USD 29,680 the key resistance to monitor. Upside moves above this level would imply the probability of price trading to a new low would start to decrease. We noted that we were trading just below the intraday 200-period MA at USD 23,176, failure to hold below this level would leave price vulnerable to an intraday test to the upside. Conversely, a close that holds below this level would warn that the USD 20,992 Fibonacci support could come under pressure. We had a note of caution while trading on the 200-period MA, as price was at an inflection point, warning we could be vulnerable to an intraday move higher.
- The futures reversed all losses to close higher on the day; however, price is coming under pressure this morning. We remain below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 25,750 with the RSI at or above 37.5 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 42 will mean it is aligned to the buy side. Upside moves that fail at or below USD 29,680 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 20,992 will warn that there could be a larger, bullish Elliott wave cycle in play.
- Intraday Technical Outlook: Bearish, price remains in corrective phase
- The upside move yesterday is rejecting the USD 28,125 fractal support from the 26/02, warning we could be looking at a change in polarity. If this is the case than we could see the 200-period MA at USD 23,242 come back under pressure. However, we will have a note of caution around the average, as the move higher yesterday was on a positive divergence with a failed swing low on momentum, suggesting we could see further buy side support around this area. Support remains vulnerable in the near-term.

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