

FIS Capesize Intraday

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Capesize April 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	26,875		RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8–21 period EMA's
- RSI is below 50 (45)
- Stochastic is above 50
- Price is above the daily pivot level (26,800)
- Intraday Technical Outlook Wednesday: Bearish, price remained in corrective phase
- The futures remained in a corrective phase with price below the USD 28,125 level highlighted previously. We noted that a rejection at or below this level would signal a change in polarity, warning the 200-period MA at USD 23,313 could come under pressure. Conversely, a move above this level would target the USD 29,680 level. We identified USD 29,680 as the key resistance on the technical; if rejected, it would again warn that there could be further downside in this corrective phase. Conversely, above this level the probability of price trading to a new low would begin to decrease. At that point, there was only one wave within the correction, typically they contained three, and would be labelled A, B, C. This would suggest that upside moves should be considered as countertrend in the near-term.
- The futures continue to test the upside but remain below the USD 28,125 resistance. Price is between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 26,800 with the RSI at or above 38 will mean price and momentum are aligned to the sell 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. Conversely, 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: Corrective
- Unchanged on the technical this morning. Based on our Elliott wave analysis the current upside move looks to part of a bearish 3-wave pattern, suggesting support levels remain vulnerable providing we remain below the USD 28,125-USD 29,680 resistance zone. Above USD 29,680 the probability of price trading to a new low will begin to decrease. For downside continuation we will need to see upside rejection of the resistance zone, as the RSI moving average currently suggests that momentum is supported.

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