

FIS Capesize Intraday

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Capesize April 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	25,083	25,550	Stochastic oversold	RSI below 50
S2	24,637			
S3	24,139			
R1	26,761			
R2	28,000			
R3	29,680			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (41)
- Stochastic is below 50
- Price is above the daily pivot level (25,083)
- Intraday Technical Outlook Monday: Sell side pressure increasing
- The gap lower on the open yesterday meant that the probability of price trading to a new high within this phase of the cycle had started to decrease. However, for downside continuation, the futures would need to see a close and hold below the 55-period EMA (correction—200-period). Due to the depth of the pullback, we currently have a note of caution on higher moves.
- The futures held the intraday 200-period MA at USD 24,139 yesterday, resulting in price finding light bid support. 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 above USD 25,083 with the RSI at or above 45.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is 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: Conflicting signals - neutral
- The upside rejection of the USD 29,680 resistance alongside the move below near-term support suggests that the USD 22,750 fractal low should be tested and broken. However, the move lower found bid support on the intraday and daily 200-period MA's yesterday (USD 24,637 - USD 24,139), indicating caution on lower moves, unless we see a close below the support zone. In theory, we should look to test the recent lows; however, the daily 200—period MA is a benchmark average, meaning we have a more neutral approach, as the average is a logical area for market buyers to enter the market.

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