

FIS Capesize Intraday

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Capesize May 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	34,250	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is on/above the daily pivot level (34,216)
- Intraday Technical Outlook Previously: Downside moves considered as countertrend.
- The futures were finding bid support on Friday; however, we noted that an upside move to a new high would signal a lower timeframe wave extension, as the downside move had not been deep enough to achieve the higher timeframe pullback we were looking for. A new high above USD 34,825 will create a negative divergence with the RSI; this was not a sell signal, but it did warn that buy-side momentum could slow. Technically, upside breakouts should be treated with caution in the near-term. The market remained supported with downside moves still considered as countertrend, but as stated, at these levels, we remained cautious on upside moves.
- The futures traded to a high of USD 34,875 before seeing bids fade a little. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 34,216 with the RSI at or above 76.5 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. Downside moves that hold at or above USD 27,615 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: Downside moves considered as countertrend.
- The futures remain supported; however, the RSI is now in divergence with price, meaning we are cautious on upside moves at these levels in the near-term, unless we see divergence failure. As noted previously, the upside move to a new high has signaled a lower timeframe Elliott wave extension, meaning downside moves should still be considered as countertrend, providing throwbacks hold above the USD 27,615 level. Below USD 27,615 the pullback will be considered as deep into the last bull wave, meaning the probability of price trading to a new high will have stated to decrease.

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