

# FIS Capesize Intraday

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## Capesize May 26 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull                | Bear         |
|---------|------------|---------------|---------------------|--------------|
| S1      | R1         | 32,950        | Stochastic oversold | RSI below 50 |
| S2      | R2         |               |                     |              |
| S3      | R3         |               |                     |              |

Source Bloomberg

### Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (47)
- Stochastic is oversold
- Price is above the daily pivot level (32,041)
- Intraday Technical Outlook Previously: bullish throwback
- The futures have confirmed that we were in a corrective phase due the positive reversal pattern failing on Friday. Both the RSI and price had made a new low, this was known as bearish momentum confirmation, and warned that Fibonacci support could come under pressure. The larger trend structure based on our Elliott wave analysis remained bullish, meaning we were looking at a technical throwback rather than a bearish correction. We identify, USD 27,615 as the key support to now follow; throwbacks that breached this level would reduce the probability of the futures achieving new highs. This would subsequently increase the probability of the bullish wave cycle failing.
- The futures sold to a low of USD 31,250 before finding light bid support on the open this morning. We are 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 32,041 with the RSI at or above 54.5 will mean price and momentum are aligned to the buyside; 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: Bullish throwback
- The downside move in the futures has failed to hold below the 55-period EMA at USD 31,733. If we look at the chart closely we can see that we have a small intraday bullish island reversal pattern in play, warning resistance levels could come under pressure. A daily close that holds above the weekly pivot level at USD 32,541 would support a buyers' argument; conversely, a move below USD 31,250 would signal an increase in sell side pressure. Based on our Elliott wave analysis, we maintain our view that downside moves should be considered as countertrend.

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