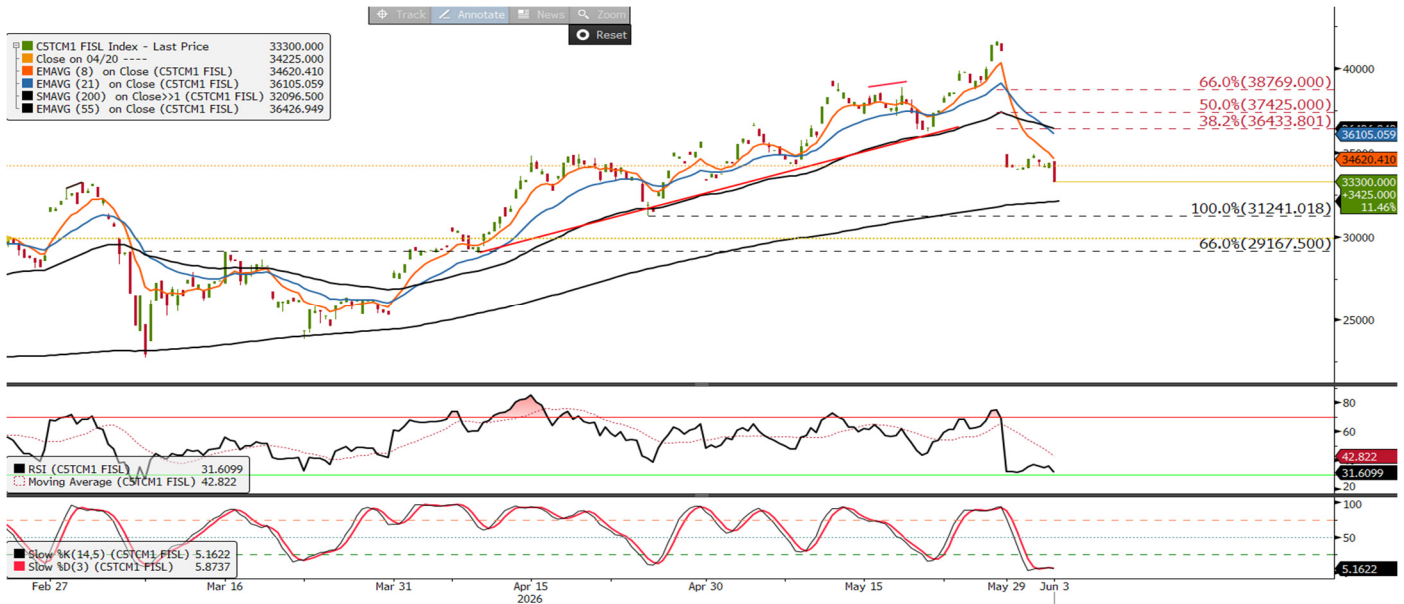


FIS Capesize Intraday

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Capesize July 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	33,300		RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below the daily pivot level (34,333)
- Intraday Technical Outlook Previously: Caution on upside moves.
- We noted on Monday that large gaps due to the futures rolls could resulting in missing Elliott wave (hidden waves), meaning price action is a little difficult to read. However, based on the depth of the pullback, upside moves should be considered as countertrend in the near-term, providing we remain below the USD 39,032 resistance. Key longer term support is at USD 29,094 (correction, 29,167), throwbacks that held at or above this level would leave the technical open to further bullish Elliott wave cycles. Market buyers should be cautious on a close that holds below the daily 50-period MA at USD 33,068, as it would warn that price could weaken further.
- Having consolidated for three session the futures have sold lower on the open this morning. We are below the 8-21 period EMA's supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above 34,333 with the RSI at or above 45 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 38,769 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Intraday Technical Outlook: Minor positive divergence
- The break to the downside on the open means we have a minor positive divergence in play with the RSI, this is more prominent on the 1-hour timeframe. The daily 50-period SMA is at 33,344 meaning price is trading on the average. A daily close and hold below it will warn the intraday divergence could fail. Conversely, market sellers should be cautious if we hold above it while in divergence, as it will leave price vulnerable to an intraday move higher.

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