

FIS Capesize Intraday

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Capesize Aug 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	32,293	R1	33,590	32,850		RSI below 50
S2	31,187	R2	34,166			
S3	29,687	R3	35,875			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (39)
- Stochastic is below 50
- Price is below the daily pivot level (34,166)
- Intraday Technical Outlook Previously: Sell side pressure increasing
- The move lower on the RSI divergence yesterday warned that the futures could be in the process of rejecting the USD 36,525 resistance. Pullbacks below the USD 33,875 fractal support would weaken the technical further, warning the 200-period MA at USD 33,529, and the Fibonacci support zone could come under pressure. Throwbacks that held at or above USD 29,645 would suggest that there could be a larger, bullish Elliott wave cycle coming into play. We were seeing a weakening in price, but are yet to see a close below the low of the last dominant bull candle at USD 34,325; if we did, then it would suggest that sell side pressure on the higher timeframe was weakening. Conversely, caution was warranted if we failed to produce a daily close below the USD 34,325 level, as it would imply higher timeframe buyers remained active.
- Continued sell side pressure yesterday resulted in a close below USD 34,325, the USD 33,875 fractal support was also broken. The weakening technical condition has resulted in further sell-side pressure this morning, meaning we are currently trading below, but have not closed below the 200 period MA.
- A close on the 4-hour candle above 34,166 with the RSI at or above 61 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 36,525 would warn that there could be a larger corrective phase coming into play.
- Intraday Technical Outlook: Sell side pressure increasing.
- Downside price action is being replicated by the RSI, meaning we have bearish momentum confirmation. The RSI has moved from above 60 to below 60, we are now testing the 40 level, If we start to close and hold below 40, then the technical condition will weaken further, warning the USD 29,687 Fibonacci support could be tested. Price is now below the intraday 200-period MA at USD 33,590; market sellers should act with caution if we hold and close back above the average, as it would signal buyside intent.

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