FIS

Capesize Intraday

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Capesize Sep 26 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	42,058	R1	42,722	42,675	RSI above 50	Stochastic overbought
S2	41,501	R2	45,151			
S3	40,320	R3	47,408			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA’s
- RSI is above 50 (78)
- Stochastic is overbought
- Price is above the daily pivot level (42,058)
- Intraday Technical Outlook Previously: Downside moves considered as countertrend.
- We noted on Thursday that due to the bullish Elliott wave extension we maintained our view that downside moves should be considered as countertrend. Fibonacci projection levels suggested that we had a potential near-term upside target at USD 42,722; however, we were starting to have a cautious approach, as above USD 40,250 the futures would produce a second RSI divergence. This was a condition, not a sell signal, we needed to see bearish price confirmation to signal that the divergence was being respected. If the RSI moved above the high that formed on the 21/08, then the bullish momentum confirmation would bring the USD 42,772 level into focus.
- The futures and the RSI have both made new highs, resulting in the USD 42m722 resistance being tested. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below 42,058 with the RSI at or below 65 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 40,320 will support a bull argument, below this level will warn that the futures are entering a higher timeframe corrective phase.
- Intraday Technical Outlook: Downside moves considered as countertrend
- The futures have traded at a high of USD 43,125 with both lower and higher timeframe Elliott wave analysis suggesting downside moves should be considered as countertrend at this point. Throwbacks that hold at or above USD 40,320 will support a near-term bull argument; however, below this level will warn that price is entering a higher timeframe corrective phase.