FIS Capesize Intraday

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Capesize Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	46,546	R1	48,966	48,375	RSI below 50	Stochastic oversold
S2	45,054	R2	50,806			
S3	43,032	R3	52,694			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is at 50 (47)
- Stochastic is oversold
- Price is above the daily pivot level (48,966)
- Intraday Technical Outlook Previously: Sell-side pressure increasing
- The move below the USD 48,875 fractal support yesterday indicated that the divergence was being respected, signaling an increase in sell side pressure. Elliott wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 43,032 the key support to follow. Throwbacks below this level would suggest we were entering a higher timeframe corrective phase; conversely, downside moves that held above this level would support a near-term buyers argument. The RSI was testing the 50 level, market sellers should act with caution if the RSI started to hold above 40, as it would warn of momentum support. Sell side pressure was increasing, our wave analysis warned this move should be considered as corrective and not bearish
- The futures remain in a corrective phase with price below the 8-21 period EMA;s, the RSI is neutral at 50 while price and momentum are aligned to the sell side.
- A close on the 4-hour candle above 48,966 with the RSI at or above 66 would mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 43,032 would support a bull argument, below this level would warn that the futures are entering a higher timeframe corrective phase.
- Intraday Technical Outlook: Corrective
- Elliott wave analysis continues to suggest that downisde moves should be considered as countertrend, making USD 43,032 the key support to follow. The RSI is now neutral at 50; as highlighted yesterday, market sellers should act with caution if the RSI tests and holds the 40 level, as it would signal momentum support. We maintain our view that the move lower remains corrective and not bearish, if the USD 43,032 is breached, it would warn that price is entering a higher timeframe corrective phase.

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