FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Capesize Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	47,064	R1	48,073	47,825		RSI below 50
S2	45,500	R2	48,491			
S3	45,112	R3	51,375			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (47)
- Stochastic is above 50
- Price is below the daily pivot level (48,491)
- Intraday Technical Outlook Previously: Supported
- The futures remain supported yesterday having breached the USD 49,420 resistance previously; however, the RSI had failed to reclaim the 60 level, meaning momentum was leaving price vulnerable to an intraday throwback. A move below the USD 48,125 fractal support would warn that the USD 47,064 level could be tested; if broken it would signal sell side pressure was increasing , leaving the USD 45,500 fractal low vulnerable. Our Elliott wave analysis suggests downside moves should be considered as countertrend, providing the USD 43,108 Fibonacci support was not breached. If it was, it would imply that we could be entering a higher timeframe corrective phase. Although downside moves should be considered as countertrend, for upside continuation we need to see the RSI reclaim the 60 level.
- The RSI rejected the 60 level resulting in an intraday move lower. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above 48,491 with the RSI at or above 57.5 would mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 43,108 would support a bull argument, below this level would warn that the futures are entering a higher timeframe corrective phase.
- Intraday Technical Outlook: corrective
- The futures have entered a corrective phase with our Elliott wave analysis suggesting that downisde moves should be considered as countertrend, making USD 43,108 the key support to follow. Throwbacks below this level would suggest that we are entering into a higher timeframe corrective phase (still considered as countertrend). Price has closed below the trend support line at USD 48,073 having broken the USD 48,125 fractal support on the 1-hour chart. Throwbacks below USD 47,064 would signal an increase in sell side pressure, warning the USD 45,500 fractal low could be tested and broken; conversely, market sellers should act with caution on a close and hold above the trend support line. The RSI has rejected 60, if it holds the 40 level, it would signal momentum support.

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