

FIS Capesize Intraday

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Capesize March 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	7,150	R1	7,833	Stochastic oversold	RSI below 50
S2	6,664	R2	8,750		
S3	6,250	R3	9,750		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Price is below the daily pivot USD 7,833
- The RSI was back above its moving average and the 50 level on Friday, suggesting the USD 8,750 resistance could be tested. A close above that held above the 55-period EMA (USD 8,374) would further support a bull argument. However, failure to move above this average would leave the USD 7,650 low from yesterday vulnerable. We were technically bearish due the move below the USD 7,694 support on Thursday; however, we remained cautious on downside moves due to the trajectory of the MA on the RSI. The futures failed to trade and close above the 55-period EMA, resulting in price breaking the USD 7,650 support on the open today. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 7,833 with the RSI at or above 48.5 will mean price and momentum are aligned to the buy side. Only above USD 8,950 is the technical bullish.
- Technically bearish, the downside move below USD 7,650 is warning that the USD 7,150 fractal support is vulnerable, we are also seeing a weakening of the MA on the RSI. However, a new low will create a positive divergence with the RSI, not a buy signal it does warn that we have the potential to see a momentum slowdown, suggesting caution on downside breakouts. We remain cautious on downside moves at this point as the MA on the RSI has weakened, but is flat, not bearish.

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