

FIS Capesize Intraday

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Capesize March 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	7,825	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is above the daily pivot USD 7,666
- Technically bearish yesterday, the downside move below USD 7,650 had warned that the USD 7,150 fractal support was vulnerable, we were also seeing a weakening of the MA on the RSI. However, a new low would create a positive divergence with the RSI, not a buy signal it did imply that we had the potential to see a momentum slowdown, suggesting caution on downside breakouts. We remained cautious on downside moves as the MA on the RSI had weakened, but was flat, not bearish. A sideways session yesterday with price opening slightly lower; however, we are seeing light bid support with price trading above yesterday's high. The futures are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 7,666 with the RSI at or below 42.5 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 47 will mean it is aligned to the buy side. Only above USD 8,950 is the technical bullish.
- Technically unchanged from yesterday, we remain in a bearish trending environment but are cautious on downside moves, as price and momentum are currently in the process of turning to the buy side (unconfirmed at this point), whilst downside moves to a new low will create a positive divergence with the RSI. Not a buy signal, it is a warning that we could see a momentum slowdown on downside breakouts. Upside moves that close above USD 8,250 will warn that the USD 8,750 and USD 8,950 resistance levels are vulnerable. A very cautious bear as resistance levels are starting to look vulnerable.

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