

FIS Capesize Intraday

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

Capesize May 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	19,150		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (45)
- Stochastic is below 50
- Price is below the daily pivot USD 20,258
- The futures remained bullish but were correcting again on Friday, the MA on the RSI suggested that sell side momentum was starting to slowdown. Key resistance remained unchanged. Having had a small move lower on Friday the futures have come under pressure again today with price USD 975 lower on the European open. The futures are now 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 20,258 with the RSI at or above 54 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 21,691 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI continues to flatten whilst the stochastic is now in divergence with price, as is the 1-hour RSI. Not a buy signal it is a warning that we have the potential to see a momentum slowdown and will need to be monitored. However, the futures are below the 55-period EMA (USD 19,450), warning that the USD 18,401 support is vulnerable. The technical is conflicting at this point as momentum indicators are warning we could see a slowdown in price, suggesting caution, But the break in the 55-period EMA is a concern. If we do break the USD 18,401 support than the pullback will be considered as deep, meaning the probability of the futures trading back to new highs will have decreased. Likewise, upside moves above the fractal resistance at USD 21,000 would support a bull argument.

Source Bloomberg

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