

FIS Capesize Intraday

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Capesize May 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	17,950	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (38)
- Stochastic is oversold
- Price is below the daily pivot USD 19,208
- Technically bullish but in a corrective phase yesterday. We had conflicting indicators as the 1-hour technical was in divergence with the RSI, warning we had the potential to see a momentum slowdown, whilst the MA on the RSI had started to flatten, suggesting caution; however, the futures had closed below the 55-period EMA which was a concern. We noted that a break in the USD 18,401 would mean the pullback would be considered as deep, meaning the probability of the futures trading to a new high will have decreased. Likewise, upside moves above the fractal resistance at USD 21,000 would support a bull argument. The futures have continued to move lower with the futures breaking the USD 18,401 support, meaning the technical although bullish now has a neutral bias. 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 19,208 with the RSI at or above 51 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 21,283 will leave the futures vulnerable to further tests to the downside, above this level the futures will target the USD 23,000 fractal high.
- Bullish with a neutral bias, the lower timeframe divergence has failed, whilst the MA on the RSI is again pointing lower, suggesting momentum is weak. The 4-hour RSI is making new lows, implying resistance levels could hold if tested in the near-term if tested. Momentum would suggest that support levels are now vulnerable; however, we should note that USD 17,400 is one of the most heavily traded levels in the last 12 months whilst USD 17,000 is over the last 30 days. If this support zone is broken, then the USD 16,125 and USD 15,013 levels could come under pressure.

Source Bloomberg

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