

FIS Capesize Intraday

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Capesize May 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	17,550	R1	18,141	18,475	Stochastic oversold RSI below 50
S2	17,400	R2	19,631		
S3	16,225	R3	20,275		

Synopsis - Intraday

- Price is between the 8—21 period EMA's
- RSI is below 50 (46)
- Stochastic is above oversold
- Price is above the daily pivot USD 18,141
- Technically we were bullish with a neutral bias yesterday; However, the futures were rejecting the Fibonacci resistance zone having opened below the daily pivot, suggesting the USD 17,550 and USD 16,225 fractal support levels were now vulnerable. We highlighted that we have the potential to create a positive divergence below USD 17,550, not a buy signal, it needed to be monitored. We also noted on the afternoon technical that USD 17,400 was the most heavily traded level in the last 12 months (based on price not volume), making it an area of interest as we held this level last week. If it held again, we could see market shorts looking to cover. The futures traded to a low of USD 17,625 before moving higher into the close and on this mornings open. Price is between the 18-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 18,141 with the RSI at or above 48.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level would mean it is aligned to the sell side. Upside moves that fail at or below USD 21,147 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 23,000 fractal high.
- The futures have held above the USD 17,400 support with the MA on the RSI now neutral, suggesting sell side momentum is slowing down. The technical is bullish with a neutral bias; however, we are cautious on downside moves whilst above the USD 17,400 level at this point. Upside moves that close above USD 19,625 will warn that the USD 21,147 resistance could be vulnerable. Likewise, a close below that holds below the USD 17,400 level will mean that the USD 16,225 fractal support could come under pressure.

Source Bloomberg

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