

FIS Capesize Intraday

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Capesize May 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	20,100	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is below 50 (58)
- Stochastic is above overbought
- Price is above the daily pivot USD 18,908
- Having moved higher previously, the futures were back trading above the 55-period average (USD 18,871) yesterday, a close above that held above this level would further support a buyer's argument. The MA on the RSI was flat (a slight turn higher) meaning momentum was neutral, perhaps showing early signs of bull support. Upside moves above USD 19,625 would warn that the USD 21,147 resistance had the potential to come under pressure. Key support to the downside remained unchanged at USD 17,400; however, we noted that USD 18,100 was the most heavily traded level (based on price) over the previous 30 days, making this an area of interest for market buyers in the near-term, as they may look to defend this level if tested. The technical remained bullish with a neutral bias. The futures held above the 55-period EMA yesterday resulting in price trading above the USD 19,625 resistance this morning. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 18,908 with the RSI at or below 46 will mean price and momentum are 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.
- Technically we are bullish with a neutral bias still; however, the upside move above USD 19,625 with price holding above the 55-period EMA would suggest that the USD 21,147 and USD 23,000 resistance levels are starting to look vulnerable. We should also highlight that the 21 period RSI on the index is at 63, if we move above and hold above 64, then the probability of the index going on a run will increase dramatically. This is not guaranteed, but historically it has performed well above this level in recent years.

Source Bloomberg

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