

FIS Capesize Intraday

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Capesize Oct 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	16,450	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot USD 16,208
- Technical bullish yesterday with the futures making new highs, we had a minor divergence with the RSI which needed to be monitored. If the divergence failed (it was marginal, as highlighted on the chart), it would have bullish implications for the technical, and warn that resistance levels could come under further pressure. The divergence warns of resistance, but also warns that the futures could run if it fails. Having traded to a high of USD 16,750 the futures came under light selling pressure on the open, before trading back up to yesterday's closing level. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 16,208 with the RSI at or below 54.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 15,182 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures remain in divergence with the RSI; not a sell signal, it is a warning that we have the potential to see a momentum slowdown and will need to be monitored. However, we have seen a lower timeframe divergence fail, warning we still have the potential to move higher, so there is a momentum conflict here. If the futures trade above the USD 16,750 level and the 4-hour divergence fails, we have the potential to trade as high as USD 17,622 – USD 17,700. A move below USD 15,182 will be considered as deep, meaning that probability of the futures trading to a new high will decrease.

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