

# FIS Capesize Intraday

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## Capesize Oct 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,650	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8–21 period EMA’s
- RSI is above 50 (53)
- Stochastic is overbought
- Price is below the daily pivot USD 16,333
- Technically bullish on Friday, the futures remained in divergence with the RSI; not a sell signal, it was a warning that we had the potential to see a momentum slowdown needed to be monitored. However, we had seen a lower timeframe divergence fail, warning we still had the potential to move higher, creating a momentum conflict. If the futures trade above the USD 16,750 level and the 4-hour divergence failed, we had the potential to trade as high as USD 17,622 – USD 17,700. A move below USD 15,182 would be considered as deep, meaning that probability of the futures trading to a new high would decrease. Price has come under pressure this morning meaning the divergence remains in play. We are between the 8-21 period EMA’s with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 16,333 with the RSI at or above 60.5 will mean price and momentum are aligned to the buy 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.
- We remain technically bullish with price now in a corrective phase having moved lower on the negative divergence and a slowing index. The MA on the RSI on the 1-hour technical has started to move lower, implying lower timeframe momentum is weakening. However, key support remains unchanged at USD 15,182. This is a level that market bulls will want to defend, if it is broken then the pullback will be considered as deep, meaning that the probability of the futures trading to a new high will decrease. A cautious bull as price is moving lower on the back of the divergence.

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