

FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Capesize Oct 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	16,625	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8–21 period EMA’s
- RSI is above 50 (54)
- Stochastic is oversold
- Price is above the daily pivot USD 15,833
- We noted that the technical was becoming more difficult to read yesterday as the futures had moved lower on a negative divergence whilst the daily candle producing a weak close, warning support levels were vulnerable. Countering this, the futures are holding above key support (USD 15,182) and the 55-period EMA, the RSI was above 50 with the stochastic in oversold territory. Providing the RSI could hold above 50, then momentum warned that we could be vulnerable to a move higher. If we traded below USD 15,375, then the correction becomes complex (a 5-wave move lower), suggesting there is a larger bear cycle in play, implying upside moves will potentially be countertrend. For this reason, we marked USD 15,375 as the key support, rather than USD 15,182. A cautious bull, we needed to see more upside to convince the USD 16,750 resistance will be broken. The futures held support resulting in price moving higher this morning, we remain above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,833 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 are now testing the USD 16,750 resistance, upside moves that close above this level will warn that the USD 17,700 fractal high could come under pressure. Above USD 16,750, also means we could potentially be in divergence, which will need to be monitored.

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