

FIS Capesize Intraday

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Capesize Dec 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	17,875	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Price is above the daily pivot USD 16,841
- The technical remained bearish but momentum remained supported yesterday, as the RSI rejected its moving average support previously. The move higher yesterday meant that price was back above the 55-period EMA with the futures testing the USD 16,900 fractal resistance. If broken this would signal that the bearish Harami pattern on the daily chart had failed, meaning it should be ignored; this would also warn that buy-side momentum was increasing, leaving the USD 17,422 fractal resistance vulnerable. We noted that a move above USD 16,900 would create a negative divergence on the 1-hour chart hour chart that will need to be monitored. The futures did trade above the USD 16,900 fractal resistance resulting in price going into divergence. However, as noted in the European close report, we closed on our highs with financials buying, warning we could open with bid support. The futures have opened higher with price now above the USD 17,422 resistance on the back of the Harami failure. The pullback into the last bear wave is considered as deep, meaning that the probability of the futures trading to a new low has started to decrease. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 16,841 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 15,095 will support a near-term bull argument, below this level we target the USD 13,625 fractal support.
- Technically bearish with a neutral bias, the MA on the RSI is indicating that momentum is supported at this point, warning that resistance levels are vulnerable. Downside moves the hold in or above the Fibonacci support zone will warn that there is potentially a larger bull cycle in play; if broken, support levels will be vulnerable.

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