

FIS Capesize Intraday

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Capesize Feb 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,050	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below 8—21 period EMA's
- RSI is below 50 (45)
- Stochastic is oversold
- Price is below the daily pivot USD 13,033
- Technically bullish yesterday, the futures had entered a corrective phase. The RSI was testing its MA; however, the MA is still warning that momentum was supported. If the RSI started to close below the average, then it would mean price and momentum were becoming aligned to the sell side, meaning that USD 11,644 support would start to look vulnerable. If broken, then the probability of the futures trading to a new high would start to decrease. The futures continued to move lower with the RSI moving below its average. We are below all key moving averages with the RSI below 50, intraday price and momentum are now aligned to the sell side.
- A close on the 4-hour candle above USD 13,033 with the RSI at or above 53.5 will mean price and momentum are aligned to the buy-side. Downside moves that hold at or above 11,644 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase still, the move lower means we are now holding below the 55-period EMA whilst the MA on the RSI is flat. The close yesterday below the weekly pivot level at USD 13,083, alongside price and momentum being aligned to the sell side, is warning that the USD 11,644 support could be tested and broken. If it is, then the probability of the futures trading to a new high will start to decrease, this will also mean that the daily technical is back in bearish territory. However, if we hold support and the 4-hour candle starts closing above USD 12,619, it will warn that the USD 13,033 pivot level could be tested and broken. If it is, it will warn momentum is turning back to the buy-side, a close above the 55-period EMA (USD 13,429) will further support a buyer's argument. Key focus is on the USD 11,644 level, as it is starting to look vulnerable; market buyers will need to support this level, otherwise we could see the USD 9,825 fractal low come under pressure.

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