

FIS Capesize Intraday

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

Capesize May 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	28,500	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 (55)
- Stochastic is overbought
- Price is above the daily pivot USD 26,600
- The upside move previously meant that the futures had closed above the weekly pivot level with price and momentum aligned to the buy side. We were testing the 55-period EMA (USD 26,881), a close above that held above the average would further support a buyer's argument. In theory, upside moves look like they could be countertrend based on Elliott wave analysis; however, near-term price action was bullish, warning Fibonacci resistance levels are vulnerable. If we rejected the 55-period EMA and price and momentum become aligned to the sell side, then we would target the 200-period MA at USD 22,831. The futures continue to move higher with price above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 26,600 with the RSI at or below 44 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 30,407 will leave the futures vulnerable to further tests to the downside, above this level the USD 35,125 – USD 37,750 resistance levels will start to look vulnerable. Likewise, downside moves that hold at or above USD 23,715 will support a near-term bull argument.
- Technically we are still bearish, with the MA on the RSI implying momentum is supported. Key resistance is at USD 30,407, the reality is that if we trade above USD 31,250, we will have broken a fractal resistance, suggesting we could potentially trade to new highs. If the futures can hold above the 55-period EMA (USD 27,020), it will further support a bull argument. The technical is warning that price could move higher, the RSI high would suggest that support levels should hold if tested in the near-term, implying resistance levels are vulnerable.

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