

# FIS Capesize Intraday

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## Capesize May 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	28,700	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 27,325
- The longer-term technical remained bearish yesterday with price trading on the 55-period EMA (USD 27,038), meaning we are at an inflection point, as we were trading around the average, having failed to hold above/below it. If we held above the average, then we could see resistance levels come under pressure; likewise, if closed below it, then we could test the USD 23,800 support. The MA on the RSI implied that momentum was supported, but the RSI was now testing the average, if price and momentum became aligned to the sell side, it would weaken the intraday technical. The recent high on the RSI (11/04) warned that downside moves have the potential to be countertrend. There were mixed signals in the technical as it was at an inflection point; however, the recent high on the RSI implied caution on moves lower in the near-term. The RSI held its MA support resulting in price moving higher. We are 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 27,325 with the RSI at or below 50 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 23,800 will support a near-term bull argument.
- Technically we remain bearish. The futures have traded above the USD 28,750 double top; however, the break is not clean at this point with the RSI testing resistance from the 11/04. Price is trying to break out of the consolidation pattern highlighted; if we close above and hold above the USD 28,750 level, it will warn that resistance levels are vulnerable. Likewise, if we close back below the USD 28,750 level and the RSI rejects its resistance, we could see the futures move lower. A close below the weekly pivot level (USD 26,500) will weaken the technical further. The MA on the RSI is implying that momentum is supported; however, the 1-hour RSI is divergence, meaning we are cautious on upside moves at this point.

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