

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	21,250	R1	21,825	RSI below 50	Stochastic oversold	
S2	20,837	R2				24,500
S3	19,128	R3				29,325

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Price is below the daily pivot USD 23,708
- Technically bearish on Friday, the MA on the RSI warned that momentum remained weak. However, the futures were starting to find light bid support on the back of the 1-hour divergence, suggesting caution on downside moves at that point. As noted previously, if the futures closed back above and held above the 200-period MA (USD 25,241), it would warn that there is an underlying support in the market.
- The futures came under light selling pressure on Friday; however, we have opened below the weekly pivot level (USD 24,500) and the daily pivot resistance, resulting in the futures selling lower. We are below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 23,708 with the RSI at or above 42.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 26,799 will leave the futures vulnerable to further tests to the downside, above this level the near-term technical will have a neutral bias.
- Technically bearish, the downside move on the open means that the 1-hour divergence has now failed. Price is below both the daily and weekly pivot levels with the 1-hour RSI making new lows, suggesting intraday upside moves have the potential to be countertrend in the very near-term. The MA on the RSI continues to warn of momentum weakness. Countering this, the 4-hour RSI is currently on support, if broken the USD 21,250 low could be tested and broken. Technically bearish, we are on support but it looks like upside moves could be countertrend in the near-term, suggesting there is further downside within this corrective cycle.

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