

FIS Capesize Intraday

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Capesize June 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	28,925	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 (59)
- Stochastic is overbought
- Price is above the daily pivot USD 27,375
- Technically bearish yesterday, we had seen a small move lower putting price below trend resistance, we noted that if we held below it the futures would be vulnerable to a technical pullback. However, we were above the weekly pivot level (USD 24,500) with the MA on the RSI implying that momentum was supported, warning support levels could hold if tested. We had broken the 200-period MA last week; however, the roll had put us back above it, meaning it was back in play. The longer-term average was sloping higher, the pullback into the last bear wave was deep, momentum was supported, and we were above the weekly pivot level. All of which suggested caution on moves lower in the near-term.
- Having found bid support yesterday post index, the futures have gapped higher on the open. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 27,375 with the RSI at or below USD 45.5 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 technical will have a neutral bias. Likewise, downside moves that hold at or above USD 24,523 will support a near-term bull argument, below this level will warn that support levels could come under pressure.
- Technically bearish, the MA on the RSI continues to suggest that momentum is supported at this point. The futures are now testing the resistance area that formed between 28/03 – 17/04, causing the upside move this morning to slow. A close above that holds above the USD 29,325 level would suggest that the USD 30,407 resistance will be tested and broken. Momentum indicators have been distorted by the move higher on the roll, making them a little less reliable at this point. It does mean that the 4-hour RSI is testing resistance whilst the 1-hour RSI is in divergence. In theory, this is warning that we could see an intraday pullback from the USD 29,325 level. However, like yesterday, momentum is supported, price is above the weekly pivot level and the 200-period MA (which is sloping higher), indicating we have support at lower levels, suggesting caution on downside moves.

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