

FIS Capesize Intraday

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Capesize June 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	29,075	R1	29,875	RSI above 50	
S2	27,662	R2	29,875		
S3	27,475	R3	35,125		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is oversold
- Price is below the daily pivot USD 29,875
- Technically bullish yesterday, the futures were now in a corrective phase, the MA on the RSI was flat, implying momentum was turning neutral. As previously noted, the RSI high on the 08/05 suggested that downside moves had the potential to be countertrend, making USD 25,746 the key support to follow. If broken, it would warn that the probability of the futures trading to a new high would start to decrease. A bearish engulfing pattern on the daily technical previously warned that support levels remained vulnerable in the near-term. However, due to the RSI high, the technical suggested caution on downside moves, despite the bearish engulfing pattern.
- The futures had a small move lower yesterday but have opened with light bid support this morning. We remain between the 8 -21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 29,875 with the RSI at or above 63 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 25,746 will support a bull argument, below this level support level the technical will have a neutral bias.
- Technically bullish, we remain in a corrective phase. Momentum is conflicting, as the MA on the RSI implies it is weak; however, the RSI is above 50 with the stochastic is in oversold territory. Providing the RSI holds above 50, we will be vulnerable to a move higher. If price and momentum become aligned to the buyside, then resistance levels will become vulnerable. The futures are now basing above the old resistance zone (USD 29,325 – USD 28,750), this should in theory act as a support, implying caution on downside moves at these levels whilst above support. We maintain our view that downside moves look to be countertrend.

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