

# FIS Capesize Intraday

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## Capesize June 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	29,000	RSI above 50	
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- Technically bullish but in a corrective phase on Friday. Momentum was conflicting, as the MA on the RSI implied it was weak; however, the RSI was above 50 with the stochastic is in oversold territory. Providing the RSI held above 50, we would be vulnerable to a move higher. If price and momentum became aligned to the buyside, then resistance levels would become vulnerable. The futures were basing above the old resistance zone (USD 29,325 – USD 28,750), we noted that in theory this should act as a support, implying caution on downside moves at these levels whilst above support. We maintain our view that downside moves looked to be countertrend.
- The futures found light bid support on Friday to close at USD 30,250. However, we noted in the European close report on Friday that the futures had produced a weekly bearish rejection candle whilst the new weekly pivot level would be at USD 31,133. This suggested that if we did not move higher on the open, we could be vulnerable to a higher timeframe sell off. We have opened below the weekly and daily pivot levels with price now trading between the USD 29,325 – USD 28,750 support zone. We are below 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 30,000 with the RSI at or above 61.5 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 with price still in a corrective phase, the weekly rejection candle is warning that the USD 28,750 support could be tested and broken. However, we have the 55-period EMA at USD 28,255 and the 200-period average at USD 27,305, implying there are some key supports at lower levels. Intraday Elliott wave analysis does suggest that downside moves look like they could be countertrend, making USD 25,746 the key level to follow. If broken, then the probability of the futures trading to a new high will start to decrease. A conflicting technical due to the weekly rejection candle and weekly pivot point, as they counter the wave cycle and medium to long term MA's. At this point, we maintain that the downside move looks to be countertrend; however, there looks like there could be further downside within the corrective phase in the near-term.

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