

FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Capesize June 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	26,500	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot level (USD 27,400)
- Technically bullish but in a corrective phase yesterday. The conflicting indicators between the weekly rejection candle and weekly pivot level, against the intraday RSI high had suggested that there looked to be further downside within the corrective phase. Having sold USD 1,750 lower, we were testing the 200-period MA at USD 27,300; we noted that this was a benchmark average. A close below that level will warn that the USD 27,546 support could be tested and broken, if it was, then the probability of the futures trading to a new high would start to decrease. Conversely, if we held above this level, and started to produce bullish closes above the 55-period EMA (USD 28,215), it would warn that the Fibonacci resistance zone could come under pressure. The MA on the RSI is warning that momentum remained weak. The technical was in balance, with focus on how the futures react to the 200-period average.
- The futures have sold lower with price below the 200-period EMA. 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 27,400 with the RSI at or above 53 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. Likewise, upside moves that fail at or below USD 31,219 will leave the futures vulnerable to further tests to the downside.
- The technical is bullish but in a corrective phase, as we remain above the USD 25,746 support, below this level the probability of the futures trading to a new high will start to decrease. The close below the 200-period MA is warning that key support will be tested and broken; however, if we hold support and close back above the average, we still have the potential to move higher. In context, both the Panamax and Supramax have broken key support whilst the MA on the RSI is indicating that momentum remains weak. It looks to be a case of when, not if the support will fall based on the information on this technical, and the other sectors.

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