

FIS Capesize Intraday

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Capesize June 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	26,975	R1	28,566		
S2	25,746	R2	30,853		
S3	24,237	R3	30,650		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- Price is above the daily pivot level (USD 26,975)
- Technically bullish yesterday, we had a neutral bias due to the move below the USD 25,746 support, the probability of the futures trading to a new high within this phase of the cycle had started to decrease. This suggested that upside moves now looked like they could be countertrend. The MA on the RSI continued to imply that momentum was weak at this point. We noted that on the 1-hour chart our MACD was starting to show a positive divergence, warning near-term sell side momentum is starting to slow.
- Having noted that near-term momentum was starting to slowdown yesterday, we have seen the futures trade USD 2,000 higher. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 26,975 with the RSI at or below 44 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 30,853 will leave the futures vulnerable to further tests to the downside.
- Technically bearish with a neutral bias, the probability of the futures trading to a new high have started to decrease. The MA on the RSI has started to flatten, implying that sell side momentum is slowing down. The futures are also above all key moving averages; however, the 8-21 - 55 - Periods EMAs are all flat, whilst the 200-period MA is starting to flatten. This suggests a lack of directional bias in the market, meaning the averages are less likely to be respected at this point. The break in support yesterday is warning that upside moves now have the potential to be countertrend, making USD 30,853 the key resistance to follow. If broken, the technical will be back in bullish territory. If we close on that 4-hour candle below USD 28,000 (the low of the last high candle), price will warn that it is starting to weaken. There is one caveat, we moved lower on upside rejection last week, we now have downside rejection candle this week (based on current values), meaning they are countering each other. In theory, we should see another move lower, but due to the weekly candle it is not the cleanest of technicals.

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