

FIS Capesize Intraday

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Capesize June 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	25,746	R1	27,250		RSI below 50
S2	24,237	R2			
S3	26,175	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8–21 period EMA's
- RSI is below 50 (46)
- Stochastic is overbought
- Price is below the daily pivot level (USD 28,291)
- Technically bearish with a neutral bias on Friday, the probability of the futures trading to a new high had started to decrease. The MA on the RSI had started to flatten, implying that sell side momentum was slowing down. The futures were also above all key moving averages; however, the 8-21 - 55 - Periods EMAs were all flat, whilst the 200-period MA was starting to flatten. This suggested a lack of directional bias in the market, meaning the averages were less likely to be respected at that point. The break in support previously warned that upside moves had the potential to be countertrend, making USD 30,853 the key resistance to follow. If broken, the technical would be back in bullish territory. If we closed on that 4-hour candle below USD 28,000 (the low of the last high candle), price would warn that it was starting to weaken. There was one caveat, we moved lower on upside rejection the previous last week, we now had downside rejection candle this week (based on current values), meaning they were countering each other. In theory, we should see another move lower, but due to the weekly candles, it is not the cleanest of technicals.
- The futures have sold lower on the open with price back below all key moving averages (which remain flat). The RSI is testing its MA support, which is also flat, implying momentum is neutral. The RSI is below 50 with price and momentum now conflicting.
- A close on the 4-hour candle below USD 28,291 with the RSI at or below 44 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 30,853 will leave the futures vulnerable to further tests to the downside.
- Technically bearish, the futures have rolled over to the sell side on the open with price now trading below the weekly pivot level (USD 27,850). A close below this level on the daily chart will indicate that sell side pressure is increasing. If price and momentum become aligned to the sell side, then support levels will start to look vulnerable. Due to the breach in the USD 25,746 support last week, we maintain a cautious view on upside moves, as the probability of price trading to a new high has started to decrease.

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