

FIS Capesize Intraday

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Capesize July 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	24,625	R1	24,750	Stochastic oversold	RSI below 50	
S2	24,237	R2				26,200
S3	23,666	R3				27,347

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is above the daily pivot level USD 25,791
- Technically bearish on the daily report yesterday afternoon. We noted that the futures had moved higher over the previous seven sessions; however, four of those days were bear closes, two were bullish and one was neutral. This suggested that buyside momentum was weak, meaning the trend support at USD 25,152 was looking vulnerable. A close below that held below trend support would warn that the USD 21,675 fractal low could come under pressure.
- The futures have sold lower on the open with price now below the support line. 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 25,791 with the RSI at or above 49 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 27,347 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, if the daily candle closes below the trend support it will warn that we could see further downside in the near-term. However, we have held the double bottom support at USD 24,625, if broken, then the futures will be in divergence with the RSI. This is not a buy signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. The futures need to close below and hold below the daily trend support (USD 25,304), if we don't it would suggest that there is an underlying support in the market due to the intraday divergence.

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