

FIS Capesize Intraday

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Capesize July 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	24,875	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 (44)
- Stochastic is oversold
- Price is below the daily pivot level USD 25,500
- Technically bearish yesterday, price action was neutral. We had trend support at USD 25,766 that was being respected and EMA resistance at USD 26,393, this is also being respected. If we close above and hold above the EMA, then the USD 27,347 resistance could be tested and broken, if it was, then the probability of the futures trading to a new low would start to decrease. We noted that if we closed below and held below trend support, we would also need to see price break the USD 34,625 triple bottom to signal downside continuation. This will also mean that the RSI divergence would need to fail. Price action was neutral and looked to be in a Darvas box, meaning we would need to see a breakout from the USD 24,625 – USD 27,075 range. On balance, the potential divergence below support, meant we leaned slightly in favour of an upside breakout.
- The futures rejected the 55-period EMA resulting in price testing the USD 24,625 support. 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 25,500 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, with trend support being broken again, we have taken it off the chart, as we no longer consider it as relevant. We remain in the Darvas box at this point, meaning price action is neutral. As noted previously, we remain cautious on downside moves due to the futures becoming divergent below the 24,625 level.

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