

# FIS Capesize Intraday

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## Capesize July 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	23,850	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (44)
- Stochastic is oversold
- Price is above the pivot level USD 22,650
- Technically bearish yesterday, the MA on the RSI indicated that momentum remained weak, whilst the divergence had failed. This warned that the USD 21,675 – USD 21,250 fractal support zone could be tested and broken. However, the futures were testing a support line (USD 21,961) that has held on two previous occasions, the futures needed to close below and hold below this level for downside continuation. The divergence failure suggests that intraday upside moves have the potential to be countertrend in the near-term. Bearish but on support, meaning we could see a small move higher in the very near term.
- The support line held meaning we have seen a move higher. Price is now between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 22,650 with the RSI at or below 39 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 25,135 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are moving higher off the support line with the MA on the RSI starting to flatten, implying sell side momentum is starting to slow. The divergence failure is warning that the upside move has the potential to be countertrend, making USD 25,135 the key level to follow. If broken, then the probability of the futures trading to a new low will start to decrease. Note: Key resistance has been moved lower in line with the fractal resistance (USD 25,135). We highlight USD 24,625 as a level of interest, as this was a triple bottom support and should in theory act as resistance. If rejected, we could move lower; if we close above and hold above this level, then the probability of the USD 25,135 resistance failing will be high. Although the divergence failure warns this upside move could fail, the downside rejection yesterday has been followed by the current daily candle making a higher low and higher high. If we maintain these levels for the remainder of the session, it will warn us that we could move higher again tomorrow. If we fail to hold onto the early gains, then we could see the move lower that the RSI is warning us of. A close today above USD 24,750 will be above the high of the last dominant bearish candle (daily chart), further supporting a buyer's argument.

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