

# FIS Capesize Intraday

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## Capesize July 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	26,000	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot level USD 24,333
- Technically bearish yesterday, the futures were moving higher off the support line with the MA on the RSI starting to flatten, implying sell side momentum was starting to slow. The divergence failure warned that the upside move had 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. We noted that Key resistance had been moved lower in line with the fractal resistance (USD 25,135). We highlighted 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 closed above and held above this level, then the probability of the USD 25,135 resistance failing would be high. Although the divergence failure warned that the upside move could fail, the downside rejection yesterday had been followed by the current daily candle making a higher low and higher high. We noted that if we maintained these levels for the remainder of the session, it would warn us that we could move higher again. If we failed to hold onto the early gains, then we could see the move lower that the RSI had warned us of. A close above USD 24,750 would be above the high of the last dominant bearish candle (daily chart), further supporting a buyer's argument.
- The future continued to move higher with price moving above USD 24,625 and closing above the USD 24,750 level. As noted in the close report last night, the close above USD 24,750 warned that we would continue to move higher in the coming days. The futures opened with bid support to trade to a high of USD 26,250 before seeing a small pullback ahead of the index. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 24,333 with the RSI at or below 40 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 23,445 will support a near-term bull argument, if broken, then the USD 22,000 fractal low will start to look vulnerable.
- Technically bearish but with a neutral bias, the probability of the futures trading to a new low has started to decrease. The MA on the RSI is implying that we are starting to see momentum support, whilst the close above USD 24,750 suggests that the USD 26,750 fractal high is likely to be tested and broken in the coming days. At this point, the intraday technical will be bullish. Due to the daily close, and the move above USD 25,135, we are now cautious on downside moves.

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