

# FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

## Capesize July 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	24,875		RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (49)
- Stochastic is below 50
- Price is on the daily pivot level USD 24,875
- We noted yesterday that a bull close previously had resulted in the futures trading to a high of USD 25,375 on the open; however, we had seen market bids pull back, resulting in price rejecting (was in the process of) the 55-period EMA (USD 25,160). The MA on the RSI was indicating that momentum was supported with price holding above the weekly pivot level (USD 24,141). We were flat to the previous close (USD 24,875), if we closed on the 4-hour candle below this level we could see support levels come under pressure in the near-term; if we held above it, then we should test the 55-period average again. The probability of the futures trading to a new low had started to decrease, this was based on key upside resistance being broken previously, plus we had held above the USD 23,445 support, implying resistance levels remained vulnerable.
- The futures had a small move lower but held the 8-21 period EMA support, before testing the 55-period EMA (USD 25,128) again on the open. The RSI is near neutral at 49 with price and momentum aligned to the buyside.
- A close on the 4-hour candle below USD 24,875 with the RSI at or below 46 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 MA on the RSI is starting to flatten, implying momentum is neutral. The futures have traded above but are failing to hold above the 55-period EMA (USD 25,128); if we close below and hold below it, then support levels could come under pressure. Likewise, a move that holds above the average will leave the USD 26,250 – USD 26,750 fractal resistance vulnerable. Below USD 23,445 the futures will be back in bearish territory; however, we remain cautious on downside moves due to the weekly 200-period MA at USD 22,032 whilst the daily is at USD 21,433. Price action is neutral as the futures are trading in the consolidation zone that formed at the end of May. This would suggest that if we do start to see the intraday close below and hold below USD 24,625, we could have another test at the lows. The rection to the 55-period MEA will be key to the next directional move.

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