

FIS Capesize Intraday

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Capesize July 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	26,125	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot level USD 25,225
- Technically bearish last week (Thursday), the MA on the RSI remained flat, meaning momentum was neutral. We were above the 55-period EMA (USD 25,129) with price breaching the USD 26,250 fractal resistance, if we could hold above the EMA then the USD 26,750 fractal high of the consolidation zone could be tested and broken; likewise, if we closed below it for a third time, then it would suggest the USD 24,625 consolidation support would be tested and broken. The probability of the futures trading to a new low had decreased; however, we were back in the consolidation zone meaning price action is neutral (despite the move higher on the open). For upside continuation, we will need to close above and hold above the consolidation resistance at USD 26,750. Neutral
- The futures traded above but failed to hold above the USD 26,750 resistance, resulting in the selling below and closing below the 55-period EMA (USD 25,231), and the USD 24,625 consolidation support; however, the fractal break means the intraday technical is bullish based on price. 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 25,225 with the RSI at or above 54.5 will mean price and momentum are aligned to the buy-side. Downside moves that hold above USD 23,742 will support a longer-term bull argument, below USD 23,725 the technical will be back in bearish territory, warning the USD 22,000 fractal support could be tested and broken.
- Technically bullish, the upside rejection means that we now have a neutral bias, the MA on the RSI is flat, implying momentum is neutral. The rejection of the consolidation zone is warning that support levels are starting to look vulnerable, as the daily chart has a spinning top followed by a dominant bear candle, meaning we will need to see a close on the daily candle above USD 26,250 to signal higher timeframe sentiment is changing to the buy-side. Key support is now at USD 23,725, the futures need to hold above this level otherwise the technical will be back in bearish territory.

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