

FIS Capesize Intraday

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Capesize August 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	23,498	R1	24,875		
S2	22,784	R2	25,258		RSI below 50
S3	21,875	R3	25,779		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (48)
- Stochastic is above 50
- Price is below the daily pivot level USD 24,875
- Technically bearish yesterday, the futures were finding resistance at the 55-period EMA (USD 24,988), a close above that held above the average would warn that resistance levels could be tested and broken. We had produced a bullish 3-river morning star candle pattern on the daily chart previously, warning resistance levels were vulnerable. However, for higher timeframe upside continuation, the futures would need to close above the high of the last dominant bear candle (USD 25,625). Although bearish, we maintained our view that resistance levels were looking vulnerable.
- The futures traded to a high of USD 25,175 but the move has failed to hold above the 55-period EMA. We are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 24,875 with the RSI at or below 44.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Upside moves that fail at or below USD 25,258 will leave the futures vulnerable to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the upside move is failing to hold above the 55-period EMA (USD 24,977), resulting in a small move lower on the open this morning. As noted yesterday, a move above USD 25,258 will warn that the probability of the futures trading to a new low will start to decrease; however, for upside continuation, the futures will need to close above the high of the last dominant bearish candle on the daily chart (USD 25,625). We maintain a cautious view on downside moves due to intraday trend support and higher timeframe MA support. We have a neutral view unless we see a bullish close on the daily timeframe above USD 25,625.

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