

FIS Capesize Intraday

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

Capesize Sep 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	24,891	R1	25,525	RSI above 50	Stochastic overbought	
S2	23,583	R2				26,800
S3	22,875	R3				27,792

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Price is above the daily pivot level USD 24,891
- Bearish with a neutral bias yesterday, the MA on the RSI indicated that momentum was supported. The futures had held fractal support resulting in a move above the USD 24,500 high from the 01/08; however, the RSI was testing resistance, meaning we had a minor divergence in play. We are also testing the base of the original resistance zone that formed in May, meaning we are cautious on upside moves. If the divergence failed then the futures should test the 200-period MA at USD 25,557, a close above that held above the average would further support a buyer's argument. A cautious bull today as price and the RSI were at resistance; we noted that above USD 25,175 the intraday technical would be bullish, making this the key level to follow in the near-term. Market bulls would want to see a divergence failure to avoid a technical pullback.
- We moved higher meaning the divergence failed, resulting in the futures testing the 200-period MA (USD 25,546) on the open, the intraday technical is now bullish. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 24,891 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 21,915 will support a longer-term bull argument, below this level will warn that the USD 19,875 fractal low will start to look vulnerable.
- Technically bullish, the MA on the RSI is implying that momentum is supported. The futures are now trading on the 200-period MA, a close above that holds above the average will further support a buyer's argument. Likewise, a rejection of the average will leave the futures vulnerable to a technical pullback. The 200-Period MA is flat, implying a lack of directional bias in the longer-term trend; however, it is still a benchmark average, implying caution at these levels, as it is an area that market longs could potentially look to lock in some profits, leaving the futures vulnerable to a market pullback.

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