

FIS Capesize Intraday

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Capesize Dec 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	16,250	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (29)
- Stochastic is oversold
- Price is below the daily pivot level USD 17,675
- Technically bearish on Friday, the downside rejection candle on the daily chart previously had warned that we could see bid support on Friday. However, we had continued to sell to new lows, resulting in price breaking the USD 17,300 fractal support. We noted that we had a 100% Fibonacci projection level at USD 16,575 whilst the 4-hour RSI had a minor divergence in play, the divergence is more prominent on the 1-hour timeframe. Not a buy signal, the divergence warned that we could see a momentum slowdown, which needed to be monitored. We maintain our view that upside moves look like they could be countertrend, making USD 24,170 the key resistance to follow. If we did trade above this level, then the probability of the futures trading to a new low will start to decrease. We have a note of caution on downside moves due to the divergence.
- The futures continue to sell lower with price now below the 100% Fibonacci projection level; however, we remain in divergence with the RSI. Price is below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 17,675 with the RSI at or above 46 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 23,779 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is indicating that we have light momentum weakness. Countering this, the RSI remains in divergence warning we could see a momentum slowdown, which needs to be monitored. If we close above the high of the last dominant bear candle (USD 17,125) it will imply that buyside pressure is increasing, warning we could be about to enter a countertrend move higher.

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