

FIS Capesize Intraday

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Capesize Jan 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,250		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (35)
- Stochastic is overbought
- Price is below the daily pivot level USD 11,266
- Technically bearish yesterday, the MA on the RSI implied that momentum was supported. The futures are moving higher on the back of the divergence with price testing the USD 11,679 resistance, meaning we were at an inflection point. A move above that level would warn that the probability of the futures trading to a new low would start to decrease. Due to the divergence in play, we remained cautious on moves lower at that point.
- The futures have rejected the USD 11,679 resistance, resulting in price selling lower. We are below all key moving averages with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 11,266 with the RSI at or below 32.5 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 11,679 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the rejection of the USD 11,679 resistance is warning that the USD 9,600 fractal low could come under pressure. However, a new low will create a second positive divergence with the RSI. Not a buy signal, it is a warning that we could see a momentum slowdown, which needs to be monitored. Price action suggests we could trade to new lows; due to the divergence, we are cautious on moves lower, the conflicting technical means we are now neutral.

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