

FIS Capesize Intraday

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

Capesize July 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	19,625	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (52)
- Stochastic is above 50
- Price below the daily pivot level USD 19,708
- Technically bullish with price above trend resistance on Thursday, the MA on the RSI warned that momentum remained weak at that point. As noted previously, for upside continuation, we needed to see a close that held above the weekly 200-period MA (USD 20,902). Conversely, if we closed below the daily 200-period MA (USD 18,539) it would indicate sell side pressure is weakening. We were seeing bid support; however, we need to see more from the technical to convince that resistance levels could be tested and broken.
- The futures sold to a low of USD 18,675 before moving higher having held the daily 200-period MA (USD 18,378). We are above the 8 -21 period EMA's supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 19,708 with the RSI at or below 48.5 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. Downside moves that hold at or above USD 15,684 will support a bull argument, below this level the Elliott wave cycle will have a neutral bias.
- Technically bullish, the futures have held the daily MA support with price now trading on the trend line of the symmetrical triangle (USD 19,551), meaning we are at an inflection point. The move below USD 18,954 does warn of intraday weakness, implying caution on moves higher in the near-term. For upside continuation, we need to see a daily close that holds above the weekly 200-period MA (USD 20,763). Failure to do so will warn that there could be further downside within this corrective phase. Likewise, a close below the daily 200-period MA (USD 18,378) will imply technical weakness. We are seeing signs of intraday support; however, as highlighted last week, we need to see more from this technical to convince that resistance levels could be tested and broken, as the breach in the USD 18,954 level leaves us vulnerable to a move lower in the near-term.

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