

FIS Capesize Intraday

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Capesize Dec 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	25,250		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (47)
- Stochastic is below 50
- Price is above the daily pivot level (24,625)
- Technically bearish yesterday, price was moving lower due to the rejection candle whilst the RSI was below 50, the stochastic remained overbought at that point. Price and momentum were aligned to the sell side, warning the USD 24,175 support could be tested and broken; if it was, then the USD 23,300 fractal low would become vulnerable. Conversely if we held above this level, it would imply that there was an underlying support in the market, indicating the technical could see another test to the upside. Support was vulnerable; however, we remained cautious on downside breakouts below USD 23,300, as the futures would be in divergence with the RSI.
- Having traded to a low of USD 4,375 yesterday, the futures have held the USD 24,175 support, resulting in price seeing a small move higher this morning. We are between the above the 8—21 EMA's with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 25,241 with the RSI at or above 47 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned to the sell side. Upside moves that fail at or below USD 26,979 will leave the futures vulnerable to further tests to the downside, above this level the technical has a neutral bias.
- Technically bearish, the futures are holding above the USD 24,175 level at this point, if we hold above it then it will suggest that there is an underlying support in the market, warning the USD 25,875 fractal resistance could come under pressure. Conversely, below USD 24,175 will imply sell side pressure is increasing, leaving that the USD 23,300 fractal low vulnerable. As highlighted previously, we are cautious on downside breakouts below this level as the RSI will be divergent with price; likewise, upside moves above USD 26,979 will imply that the probability of the futures trading to a new low will start to decrease. USD 24,175 is the level to follow, if it holds, the USD 25,875 resistance becomes vulnerable.

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