FIS

Capesize Intraday

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Capesize Dec 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	26,287	R1	27,681	27,175	RSI above 50	Stochastic overbought
S2	26,250	R2	28,875			
S3	25,404	R3	31,250			

Synopsis - Intraday Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot level (26,250)
- Technically bearish on Friday, the MA on the RSI implied that we had light momentum support. We had closed above the 55-period EMA previously (USD 25,619) but needed to hold above it, failure to do so would leave the USD 25,013 and USD 24,325 support levels vulnerable. From the support side, USD 24,375 was an intraday double bottom, making this a key level to follow. If it held, then resistance levels would remain vulnerable. Conversely, if broken, we would target the USD 23,300 fractal low. Above USD 26,275 would imply that buyside pressure was increasing, whilst for upside continuation, price was going to need to close and hold above the 200-period MA (USD 27,202).
- The futures traded above the USD 26,275 level resulting in price now testing the intraday 200-period MA (USD 27,147). We are above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 26,250 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 25,404 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease, whilst the MA on the RSI implies that momentum is supported. As noted previously, for upside continuation, the futures are going to need to close and hold above the intraday 200-period MA (USD 27,147); if we do it will warn that we could be in the early stages of a bullish impulse wave 5, warning the USD 28,875 and USD 21,250 resistance levels could be tested. Likewise, failure to hold above the average will warn that there our higher timeframe sellers in the market. The technical is strengthening, but price is at an inflection point here. Market bulls will need to keep price above the 200-period MA.