

FIS Capesize Intraday

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Capesize Jan 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	20,383	R1	21,150	20,675		RSI below 50
S2	19,125	R2	21,782			
S3	18,265	R3	22,279			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8—21 period EMA's
- RSI is below 50 (49)
- Stochastic is above 50
- Price is above the daily pivot level (20,383)
- The technical was bearish based on price on Friday. However, having sold lower on Thursday, the futures had opened above the previous intraday 4-hour candle high. The candle pattern was known as a bullish kicker, and signaled a change in sentiment in the market. We noted that if we held those levels into the close, it would warn that the USD 21,782 Fibonacci resistance could be broken. If it was, then the probability of the futures trading to a new low would start to decrease. We noted that it was not advisable to sell into a bullish kicker candle pattern.
- The futures remain supported, 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 20,383 with the RSI at or below 43 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 21,782 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically we are still considered as bearish, above the USD 21,000 fractal resistance, the futures will be bullish based on price. However, upside moves that fail at or below USD 21,782 will warn that there is a larger, bearish corrective phase in play, above this level the USD 23,125 fractal high will become vulnerable. Failure to hold above the 55-period EMA (USD 20,619) will warn that support levels could come under pressure; however, due to the gap higher on the bullish kicker, we have a note of caution on downside moves whilst the gap is in play, meaning we would need price to trade below USD 19,600 (the low of the breakout gap), to signal support levels are vulnerable.

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