

# FIS Capesize Intraday

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## Capesize Jan 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	21,008	R1	22,202	21,875	RSI above 50	Stochastic overbought
S2	20,872	R2	22,900			
S3	20,562	R3	23,125			

Source Bloomberg

### Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is above the daily pivot level (21,008)
- Technically we were still considered as bearish yesterday, above the USD 21,000 fractal resistance, the futures would be bullish based on price. However, upside moves that failed at or below USD 21,782 would warn that there was a larger, bearish corrective phase in play, above this level the USD 23,125 fractal high would become vulnerable. Failure to hold above the 55-period EMA (USD 20,619) would warn that support levels could come under pressure; however, due to the gap higher on the bullish kicker, we had a note of caution on downside moves whilst the gap was in play, meaning we would need price to trade below USD 19,600 (the low of the breakout gap), to signal support levels were vulnerable.
- The futures continue to move higher on the bullish kicker pattern with price now in bullish territory. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 21,008 with the RSI at or below 45 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.
- Bullish based on price, the MA on the RSI implies that momentum is supported with the futures firmly above the 55-period EMA (USD 20,707), warning the USD 22,202 Fibonacci resistance could be tested and broken. If it is, the market bulls will target the USD 23,125 fractal high; conversely, a rejection of this level will warn that there is a larger bearish corrective phase in play. We are cautious on downside moves, as the bullish kicker pattern implied that we were seeing a change in sentiment, resulting in a bullish Harami breakout pattern on the daily timeframe.

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