

# FIS Capesize Intraday

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## Capesize May 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	30,150	RSI above 50	
S2	R2			
S3	R3			

Source Bloomberg

### Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (66)
- Stochastic is above 50
- Price is above the daily pivot level (29,491)
- Intraday Technical Outlook Previously: downside moves considered as countertrend
- We noted yesterday that the MA on the RSI was flat while price and momentum were aligned to the sell side, indicating buyside momentum had started to slow. However, the move above USD 29,680 previously warned that the probability of price trading to a new low had started to decrease. This was supported by the bullish momentum confirmation, as both price and the RSI had made new highs. Based on this, we maintained are view that pullbacks should be considered as corrective rather than bearish at that point. However; if we did trade below USD 25,402, then the technical would re-enter bearish territory.
- The futures traded to a low of USD 29,025 before finding light did support on the open this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 29,491 with the RSI at or above 68.5 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. Downside moves that hold at or above USD 25,402 will support a near-term bull argument. Conversely, downside moves that hold at or above USD 21,502 will warn that there could be a larger, bullish Elliott wave cycle in play.
- Intraday Technical Outlook: downside moves considered as countertrend
- Unchanged on the technical this morning. The momentum support highlighted previously continues to suggest that the USD 30,550 resistance re-mains vulnerable. However, above USD 30,550 price is likely to be divergent with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. We maintain our view that throwbacks are considered to be countertrend at this point, making USD 25,402 the key support level to follow. If broken, then the probability of price trading to a new high will begin to decrease.

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