

FIS Capesize Intraday

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Capesize May 26 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|------|
| S1 | R1 | 33,500 | RSI above 50 | |
| S2 | R2 | | | |
| S3 | R3 | | | |

Source Bloomberg

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (53)
- Stochastic is above 50
- Price is below the daily pivot level (33,958)
- Intraday Technical Outlook Previously: Downside moves considered as countertrend.
- Downside moves were still considered as countertrend yesterday, we noted that price was coming under pressure on the negative divergence with the RSI. We remained above the USD 32,750 fractal support, but the RSI had made new lows, this was know as a positive reversal pattern and warned resistance levels were still vulnerable in the near-term. Below USD 32,750 price and the RSI would have made a new low, known as bearish momentum confirmation, at this point the Fibonacci support would become vulnerable. A momentum confliction yesterday, the positive reversal pattern warned that there could still be one more test to the upside while we held above USD 32,750.
- The futures have see n a small move lower but remain above the USD 32,750 level, meaning the positive reversal pattern is still in play. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 33,958 with the RSI at or above 64.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 27,615 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: Conflicting momentum
- Unchanged on the technical from yesterday. We maintain our view that downside moves should be considered as countertrend, providing we held above 27,615 level. If breached, then the probability of price trading to a new high will start to decrease. Momentum continues to conflict, as the futures are coming under pressure due to the negative divergence with the RSI. However, as highlighted previously, while above USD 32,750, we have a positive reversal pattern in play, meaning resistance could still be tested in the near-term. The technical is bullish, momentum means that price action is currently neutral.

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