

FIS Capesize Intraday

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Capesize June 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	33,750		Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Price is above the daily pivot level (33,533)
- Intraday Technical Outlook Previously: Negative divergence
- We noted yesterday that the technical pullback had come from the roll into June; however, price was holding above the USD 32,737 Fibonacci support. We identify USD 32,737 as a key level on the technical; if broken, then the probability of the futures trading to a new high would begin to decrease. As highlighted previously, Fibonacci projection levels suggest that we had a potential upside target for this phase of the cycle at USD 38,758. We were still divergent, which needed to be monitored.
- The futures are consolidating since rolling into June. We remain below the 8/21 period EMA's with the RSI neutral at 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above 35,333 with the RSI at or above 58 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 32,737 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: negative divergence.
- We remain technically bullish while above USD 32,737; below it the probability of the futures trading to a new high will begin to decrease. The futures were in divergence before moving lower on the roll, not a sell signal it warns that buy side momentum could slow, this needs to be monitored. If price and momentum become aligned to the buy side, it will signal that buy side pressure is on the increase, warning the USD 35,625 fractal high could come under pressure.

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