

FIS Capesize Intraday

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Capesize June 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	34,031	R1	35,891	35,750	RSI above 50	
S2	35,333	R2	37,325			
S3	32,780	R3	38,785			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Price is above the daily pivot level (33,533)
- Intraday Technical Outlook Previously: negative divergence.
- We noted last week that we remained technically bullish while above USD 32,737; below it the probability of the futures trading to a new high would begin to decrease. The futures were in divergence before moving lower on the roll, not a sell signal it warned that buy-side momentum could slow, this needed to be monitored. If price and momentum become aligned to the buy-side, it would signal that buy-side pressure was on the increase, warning the USD 35,625 fractal high could come under pressure.
- Price and momentum became aligned to the buy-side, resulting in the futures trading to a new high. We are above all key moving averages supported by the RSI above 50, intraday price above momentum are aligned to the buy-side.
- A close on the 4-hour candle below 35,333 with the RSI at or below 54.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 32,780 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: negative divergence.
- Unchanged on the technical today. We remain bullish with Fibonacci projection levels suggesting we could trade as high as USD 38,758 within this phase of the cycle. However, as highlighted previously, the RSI is divergent with price, this will need to be monitored. If the RSI moves above 65, then we will have near-term bullish momentum confirmation, warning resistance could come under further pressure. Conversely, throwbacks that breach the USD 32,737 level will warn that the probability of the futures trading to a new high has begun to decrease.

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