

FIS Capesize Intraday

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Capesize June 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	36,375	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is above the daily pivot level (35,316)
- Intraday Technical Outlook Previously: negative divergence.
- Unchanged on the technical yesterday. We remained 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 was divergent with price, this needed to be monitored. We noted that if the RSI moved above 65, then we would have near-term bullish momentum confirmation, warning resistance could come under further pressure. Conversely, throwbacks that breached the USD 32,737 level would warn that the probability of the futures trading to a new high had begun to decrease.
- The futures continue to move higher with price remaining above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below 35,316 with the RSI at or below 55 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 33,120 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: negative divergence.
- The RSI remains in divergence based on the April high; however, the new high this morning has resulted in the RSI closing at a high of 65.24. Technically, you could argue that this is a new high; without getting into the semantics of bullish momentum confirmation, we would like to see a clear RSI print high to signal momentum confirmation. We remain bullish and maintain a near-term upside target at USD 38,743 for this phase of the cycle.

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