

FIS Capesize Intraday

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Capesize June 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	34,825	R1	35,375	RSI above 50	Stochastic overbought
S2	34,649	R2			
S3	33,120	R3			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is below the daily pivot level (35,958)
- Intraday Technical Outlook Previously: negative divergence.
- The RSI remained in divergence yesterday based on the April high; however, the new high had resulted in the RSI closing at a high of 65.24. Technically we could argue that this was a new high; however, without getting into the semantics of bullish momentum confirmation, we noted that we would like to see a clear RSI print at a new high to signal momentum confirmation. We remained bullish and maintained a near-term upside target at USD 38,743 for this phase of the cycle.
- The futures have seen a small technical pullback, we are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below 35,958 with the RSI at or below 54 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 58.5 will mean it is aligned to the buyside. 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: Supported.
- The RSI moving average is flat, implying neutral momentum, while the move yesterday was driven by the RSI rejecting resistance. However, price is always the lead indicator, as all indicators are derived from it. The futures are testing polarity support (if you look at yesterdays chart you can see the two previous polarity support levels), while above USD 34,825 resistance should be considered as vulnerable. A close and hold below USD 34,825 would suggest exercising cautious, as it would signal that either buyside interest is waning, or sell die pressure is increasing.

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