

# FIS Capesize Intraday

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## Capesize July 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	34,250		Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

### Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (32)
- Stochastic is overbought
- Price is below the daily pivot level (41,041)
- Intraday Technical Outlook Previously: divergence failure
- The divergence failure on the open meant the RSI had made a new high, indicating bullish momentum confirmation, warning intraday downside moves had the potential to be countertrend in the very near-term. However, it was important to note that he had upper channel resistance at USD 42,160. For upside continuation the futures were going to need to close and hold above the line to avoid an intraday pull-back.
- The June futures failed to break the USD 42,160 resistance resulting, resulting in price selling lower. Price has now gapped lower on the roll into July. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above 41,041 with the RSI at or above 63.5 would mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 39,073 will leave the futures vulnerable to further tests to the downside.
- Intraday Technical Outlook: Caution on upside moves.
- Firstly, we maintain our view in the June futures that downside moves should in theory be countertrend. The pullback on the roll into the June futures has resulted in price gapping below the USD 34,751 support, indicating the probability of price trading to a new high has started to decrease. For this reason we are cautious on upside moves while below the USD 39,083 resistance. Key longer-term support is at USD 29,094, throwbacks that hold at or above this level will warn that there could be a larger, bull cycle coming into play.

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