

FIS Capesize Intraday

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Capesize July 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	30,125	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (25)
- Stochastic is oversold
- Price is on above the daily pivot level (30,975)
- Intraday Technical Outlook Previously: Momentum slowdown
- The longer-term technical remained unchanged yesterday with key near-term support at USD 29,167 and longer-term at USD 24,300. We noted that based on the bearish momentum confirmation, upside moves should in theory be counter-trend. Recent price action since closing below the 200-period MA had shown decreasing candle sizes, signaling sell side momentum was slowing. However, we highlighted that price is drifting higher, we are not seeing bid support at that point. The momentum slowdown suggests caution on lower moves in the near-term.
- Having continued to drift higher yesterday, the futures have sold lower on the open, meaning we are potential looking at a small bear flag breakout. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above 30,975 with the RSI at or above 30 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 37,613 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Intraday Technical Outlook: Bear flag but divergent
- The break to the downside means that we have a small bearish flag in play, warning we could tread is low as USD 27,812 in the near-term. However, the downside breakout has created a positive RSI divergence, warning sell side momentum could slow, this will need to be monitored. A cautious bear today.