

FIS Capesize Intraday

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Capesize July 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	27,812	R1	29,308		RSI below 50
S2	26,789	R2	29,368		
S3	24,300	R3	30,125		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (38)
- Stochastic is overbought
- Price is on above the daily pivot level (29,308)
- Intraday Technical Outlook Previously: Caution on upside moves
- The negative reversal pattern remained in play yesterday while below the USD 31,375 resistance, implying caution on higher moves in the near-term; however, it was important to note that key resistance on the technical is at USD 37,001. Market buyers should act with caution if the RSI closed below its support line while the reversal pattern is in play, as it will signal buy-side momentum was exhausting.
- The RSI closed below trend support resulting in price selling to a new low. 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 29,308 with the RSI at or above 47 would mean price and momentum are aligned to the buy-side. Upside moves that failed at or below USD 29,368 would leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Intraday Technical Outlook: Caution on upside moves
- The negative reversal pattern has resulted in price trading to a new low. However, we are now in divergence with the RSI, warning sell side momentum could slow down. This is not a buy signal, it is a condition that will need to see positive price action to signal that the divergence is being respected. We identify USD 29,368 as key near-term resistance, as a move above this level will reduce the probability of price trading to a new low; conversely, market buyers should act with caution if the USD 29,368 resistance is rejected. The technical suggests caution is warranted on lower moves from here.

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