FIS

Capesize Intraday

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Capesize Aug 26 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	32,708	R1	33,564	33,375		
S2	30,825	R2	33,875			
S3	29,687	R3	34,175			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8—21 period EMA's
- RSI is above 50 (56)
- Stochastic is above 50
- Price is above the daily pivot level (32,708)
- Intraday Technical Outlook Previously: Inflection point
- The upside move in the futures yesterday had found resistance at the intraday 200-period MA at USD 33,606. Price had opened below trend support; however, we were trading on the trend line, meaning price was at an inflection point. If we closed and hold back above the support line, then market buyers will look to test the intraday 200-period MA at USD 33,606, polarity resistance at USD 33,875, and the USD 34,175 Fibonacci level. We identify USD 34,175 as the key resistance on the technical, if breached, then the probability of price trading to a new low would begin to decrease. Market buyers should act with caution if we rejected the trend line, the USD 34,175 level, or if the RSI rejected the 60 level, as the RSI breach below 30 previously did warn that upside moves had the potential to be countertrend.
- The futures have seen bid support on the open with price trading at a high of USD 33,375. Price remains above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below 32,708 with the RSI at or below 38 would mean price and momentum are aligned to the sell side. Upside moves that failed at or below USD 34,175 would warn that the corrective cycle was becoming more complex
- Intraday Technical Outlook: Approaching resistance zone
- Price is testing the 200-period MA at USD 33,564, while we have potential polarity resistance at USD 33,875 and Fibonacci resistance at USD 34,175. For upside continuation, we need to see price breach the USD 34,175 level, and close and hold above the 200-period MA. With price testing the resistance zone having seen the RSI breach the 30 level previously, the technical warrants caution on upside moves at these levels, unless the bullish scenario highlighted come into play. Market sellers should act with caution on throwbacks that result in the RSI holding above the 40 level, as this would signal momentum support.