FIS Capesize Intraday

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Capesize Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	40,771	R1	44,870	41,025	Stochastic oversold	RSI below 50
S2	39,830	R2	47,796			
S3	35,364	R3	50,100			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (27)
- Stochastic is oversold
- Price is on the daily pivot level (40,933)
- Intraday Technical Outlook Previously: Testing support
- The futures were testing the 161.8% Fibonacci projection level at USD 40,771 yesterday, we noted that this had the potential to act as a support. We also noted that the RSI is at 25 and testing historical lows, meaning momentum was starting to look overextended to the downside in the near-term. With price and momentum testing support, we had a note of caution on lower moves at those level. However, price was the lead indicator, if we closed and held below the intraday 200-period MA at USD 39,636, it would warn that support levels could come under further pressure. We looked to be in a higher timeframe corrective phase, momentum did warn we are starting to look overextended to the downside in the near-term.
- The futures have tested but are currently holding the 200-period MA at USD 39,830. Price has rolled into the November contract, meaning price is higher by around USD 250 on the back of this. We remain below the 8-21 period EMA's supported by the RSI below 50, intraday price and momentum are aligned to the sell side, as the current candle is yet to close above the daily pivot point.
- A close on the 4-hour candle above 40,933 with the RSI at or above 37 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 47,550 would suggest that support levels remain vulnerable, above this level the probability of the futures trading at a new high would begin to decrease.
- Intraday Technical Outlook: Testing the intraday 200-period MA
- The futures are currently holding above the 200-period MA at USD 39,830, while the RSI is just above the 25 level, a historical support that we highlighted yesterday. Technically, momentum suggests that we remain overextended to the downside in the near-term; however, price is the lead indicator, if we do see a close and hold below the 200-period MA, price will vulnerable to further tests to the downside. Like yesterday, we are currently cautious on lower moves due to the RSI placement and the 200-period MA support.

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