FIS Capesize Intraday

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Capesize Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	40,317	R1	41,833	41,625	Stochastic oversold	RSI below 50
S2	39,675	R2	44,422			
S3	38,575	R3	45,750			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (36)
- Stochastic is oversold
- Price is below the daily pivot level (41,833)
- Intraday Technical Outlook Previously: Supported
- We noted yesterday that the futures had held the 200-period MA at USD 40,141 with the price and momentum aligned to the buyside, signaling we were seeing buyside support in the market. If we closed above the high of the last dominant bull candle at USD 43,050 with the RSI reclaiming and holding the 40 level, it would signal an increase in buyside pressure, warning that Fibonacci resistance zone could be tested. We identify USD 47,550 as the key resistance to follow; pullbacks that failed at or below this level would warn that the corrective phase had the potential to become more complex, implying support levels remained vulnerable.
- The futures failed to close above the USD 43,050 level with the RSI also failing to reclaim the 40 level, resulting in an intraday pullback. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting
- A close on the 4-hour candle below 41,833 with the RSI at or below 29 would mean price and momentum are aligned to the sell side; likewise, a close above this level would mean it is 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 low would begin to decrease.
- Intraday Technical Outlook: Support vulnerable
- The futures failed to produce a bullish intraday close above the USD 43,050 as price rejected the daily 50-period SMA at USD 42,765, resulting in a daily rejection candle off the average. The daily candle is warning that support levels could be tested; however, we need to see a 4-hour close the low of the last dominant bull candle at USD 41,250. If we do get the bearish close, then we target the USD 41,675 fractal support. For upside continuation, we will need to see a close above the high of the daily rejection candle at USD 42,875.

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