FIS Capesize Intraday

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Capesize Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	39,012	R1	41,175	40,125		RSI below 50
S2	37,845	R2	42,875			
S3	36,378	R3	43,734			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (40)
- Stochastic is above 50
- Price is below the daily pivot level (41,175)
- Intraday Technical Outlook Previously: Supported
- The futures were above the 200-period MA with the RSI above 50 yesterday, this signaled that price was showing signs of support, we noted that we needed to hold above these levels; if we did, then we would target the USD 42,875 fractal resistance. Upside moves above USD 42,875 would create a higher high on the daily chart, warning the USD 47,171 resistance could be tested. Market longs should act with caution if price moved below the 200 -period MA supported by the RSI moving below 40, as it would suggest the technical condition is starting to weaken.
- The futures have failed to hold above the intraday 200-period MA, the RSI is now testing the 40 level. We are below all key moving averages support- ed by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below 40,175 with the RSI at or below 36.5 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 47,171 would suggest that support levels re- main vulnerable, above this level the probability of the futures trading at a new low would begin to decrease.
- Intraday Technical Outlook: Neutral
- The failure to hold above the 200-period MA is warning that the USD 39,012 fractal low could come under pressure. The RSI is testing 40, if we close and hold below the 40 level, we have the potential to deteriorate further. The caveat, below USD 39,012 the RSI will be divergent with price, a condi- tion that warns sell side momentum could slow down. A new low while in divergence would from a technical perspective be considered a higher risk sell; however, we are not yet seeing bullish signal to convince the market to challenge the upside; hence neutral.

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