

FIS Capesize Intraday

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Capesize March 22 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull | Bear | | |
|---------|------------|---------------|--------|--------|---------------------|--------------|
| S1 | 17,855 | R1 | 19,594 | 18,250 | Stochastic oversold | RSI below 50 |
| S2 | 16,250 | R2 | 20,351 | | | |
| S3 | 14,255 | R3 | 21,000 | | | |

Synopsis - Intraday

- Price is below the 8–21 period EMA's
- RSI below 50 (48)
- Stochastic is oversold
- Price is below the daily pivot USD 19,594
- As noted yesterday the USD 18,800 support looked like it could come under pressure. Price has moved lower on the open meaning the intraday technical has a neutral bias. The futures are below the 8-21 period EMA's supported by the RSI below 50, intraday P&M are aligned to the sell side.
- A close on the 4-hour candle above USD 19,594 with the RSI at or above 61 would mean P&M are aligned to the buyside. Upside moves that fail at or below USD 21,880 remain vulnerable to further tests to the downside, above this level the futures will target the USD 23,750 high. Likewise, downside moves below USD 17,855 will target the USD 16,250 fractal support, below this level the intraday technical is bearish.
- Price is now testing the 55-period EMA (USD 18,078), a close below this level will further weaken the buyer's argument.
- The technical has a neutral bias due to the deep pullback, meaning the probability of the futures making a new high within this phase is decreasing. From a buyer's perspective the RSI at 48 is near neutral with its MA above 50 and the stochastic is oversold, if the RSI goes above 50 then momentum is vulnerable to a test to the upside. The concern with this argument is that the MA on the RSI is sloping downwards, this is warning that upside moves have the potential to fail, suggesting any bull move could be temporary. The Elliott wave cycle on the March contract was indicating that there should be another bull wave to come in this phase; however, the wave overlap between wave-1 and wave-4 is now USD 2,125, this is significant and warns the wave cycle could fail. This technical is neutral/bullish but if the RSI does not move above and hold above 50 soon, then there is a real danger that the USD 16,250 fractal support could be broken.

Source Bloomberg

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