

# FIS U.S. HRC Report

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

## U.S. HRC March 22



Support	Resistance	Current Price	Bull	Bear
S1	R1	1,005	Stochastic oversold	RSI below 50
960	1,164			
S2	R2			
900	1,222			
S3	R3			
832	1,229			

### Synopsis

Chart source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (19)
- Stochastic is oversold
- The futures remain below all key moving averages supported by the RSI below 50. The roll into March has resulted in the technical dropping USD 250 lower.
- Technically bearish and in trend the roll has created a mean reversion gap with the 55-period EMA (25%). From a technical perspective this is warning that the downside move is potentially overextended, signalling that the futures will need to either consolidate to allow the average to move lower, or price needs to move higher.
- Upside moves that fail at or below the USD 1,299 resistance remain vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The RSI at 19 is in oversold territory leaving the technical vulnerable to a move to the upside; however, the RSI has made a new low suggesting that any move to the upside should be considered as countertrend at this point.
- A close above USD 1,014 would be above the STARC band (Stoller Average Range Channel Band) would warn that buy-side momentum is improving, warning the futures could be entering a corrective phase (upside).
- Technically the trend is bearish with Elliott wave analysis (and the RSI) suggesting that upside moves should be considered as countertrend; however, the mean reversion gap with the 55-period EMA and the oversold RSI are warning we could soon enter a countertrend corrective wave higher.