

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	15,500	R1	17,696	17,625	Stochastic oversold
S2	14,100	R2	18,375		
S3	12,169	R3	19,295		

Source Bloomberg

Synopsis - Intraday

- Price is between the 8—21 period EMA's
- RSI below 50 (46)
- Stochastic is oversold
- Price is above the daily pivot USD 16,666
- Yesterday we noted that the lower timeframe chart (1-hour) had produced a negative divergence that needed to be monitored, as it warned we had the potential to see a momentum slowdown. The futures closed at USD 15,500, just below the USD 15,630 support but have rallied USD 2,125 on the open. Price is between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,666 with the RSI at or below USD 38.5 will mean P&M are aligned to the sell side.
- Upside moves that fail at or below USD 19,295 remain vulnerable to further tests to the downside, above this level the futures will target the USD 21,250 fractal resistance.
- Downside moves below the USD 15,500 low will target the USD 14,100 Fibonacci support.
- The technical remains bearish with the 4_HOUR RSI making a new low yesterday but near-term momentum is bullish, the futures are pushing higher on the back of the positive, key resistance is at USD 19,295, as above this level the technical has a neutral bias. The futures remain vulnerable at this point as the divergence was classed as minor, suggesting we could see another test to the downside; however, we are cautious here as the rally is on the back of bullish 3-wave corrective pattern, leaving the technical with some mixed signals, if we close above the 55-period EMA (USD 18,317) it will further support the bull argument.

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