

FIS Capesize Intraday

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Capesize Mar 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	16,425	R1	17,625	RSI above 50	Stochastic overbought	
S2	15,708	R2				18,669
S3	15,000	R3				19,900

Synopsis - Intraday

Source Bloomberg

- Price is above 8—21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is below the daily pivot USD 17,733
- Technically bullish yesterday, we remained cautious on upside moves as the mean reversion gap continued to warn that support levels were vulnerable. If we closed below and held below the 200-period MA (USD 16,433), it would warn that support levels could come under pressure. Likewise, if we held above the average, and the 55-period EMA closes the reversion gap, then it will warn that there is buy-side support back in the market. The futures traded to a low of USD 17,250 before finding light bid support. We remain above all key moving averages with the RSI above 50, intraday price and momentum continue to conflict.
- A close on the 4-hour candle below USD 17,733 with the RSI at or below 54 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy-side. Downside moves that hold at or above USD 14,040 will support a bull argument, below this level the technical will have a neutral bias.
- Technically unchanged from yesterday, the mean reversion gap has closed a little due to the rising average; however, we are still 22% above it. The 200 period MA on the daily chart is now at USD 16,425, this is a benchmark average, if we close below and hold below it, then support levels could come under pressure. Conversely, if we hold above it, whilst the 55-period EMA continues to move higher to close the mean reversion gap, then it will warn that there is buy-side support in the market. We are still vulnerable to a move lower due to the mean reversion gap, but the longer we stay elevated, the quicker the average will catch up.

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