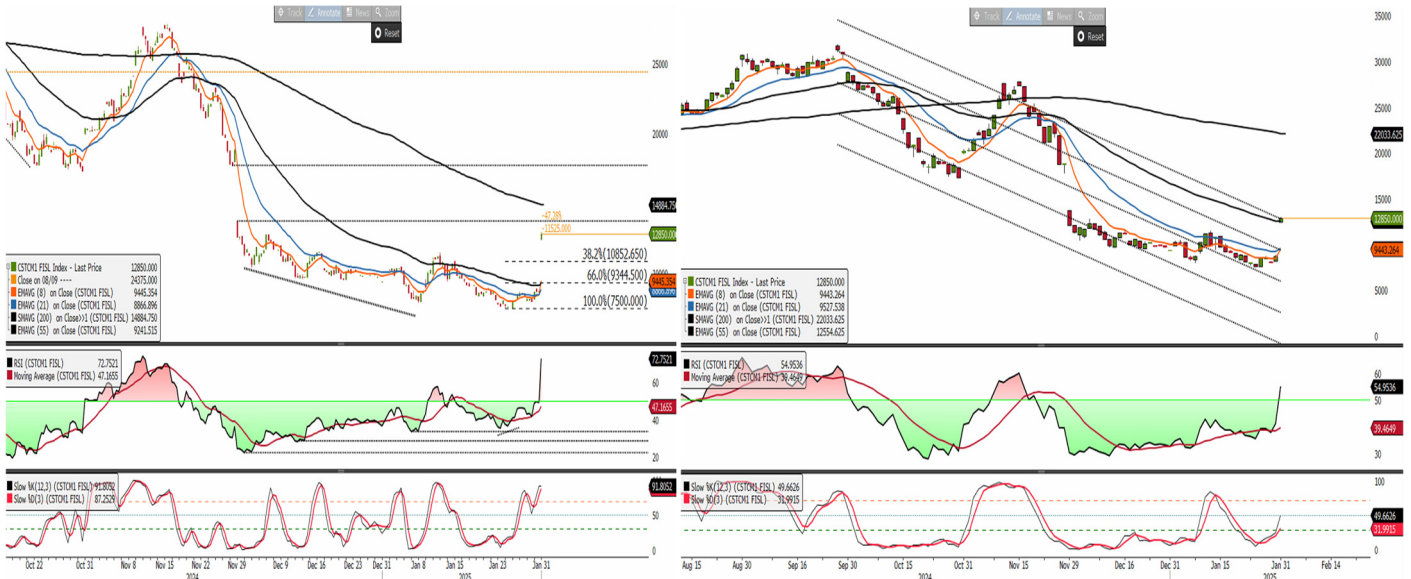


FIS Capesize Intraday

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Capesize March 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,850	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above (72)
- Stochastic is overbought
- Price is above the daily pivot level USD 8,566
- The futures have rolled into March. Two charts on the report today, as we wanted to illustrate the standard deviation move on the daily chart (right).
- Technically bearish yesterday, the futures were finding bid support due to the multiple divergences in play. The MA on the RSI implied momentum was supported, with its average acting as a support line, warning resistance levels were starting to look vulnerable. As highlighted previously, we continued to have a note of caution on downside moves, as there were 4 intraday divergences in play (the daily was also divergent), suggesting downside moves could struggle to hold.
- The Feb moved higher before rolling into March this morning, creating a gap higher. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buyside; however, they will not be relevant today as the roll has skewed the oscillators whilst the pivot is low.
- Downside moves that hold at or above USD 9,344 will support a bull argument, below this level the technical will have a neutral bias.
- Technically we are bullish, the move higher on the roll means we are now approaching a bearish resistance window created by the roll into the Jan futures (USD 13,750 – USD 17,700). It is a resistance zone, but we should note that markets like to close gaps, our expectancy going forward is this will eventually be closed. The trend dynamic has changed, as we are now bullish; however, the chart daily on the right is highlighting the linear regression line on the bear move lower. We can see that the futures are currently at two standard deviations above the line, an area that has the potential to act as a resistance level in the very near-term. We will be changing the regression line to chart the bullish data going forward, but we wanted to highlight that the roll today means that the rolling front month futures are looking overextend, leaving us vulnerable to a technical pullback. Based on the move higher, downside moves are considered as countertrend.

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