

FIS Capesize Intraday

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Capesize March 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,875	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 (69)
- Stochastic is overbought
- Price is below the daily pivot level USD 13,033
- 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 bullish on Friday, the move higher on the roll meant we were approaching a bearish resistance window created by the roll into the Jan futures (USD 13,750 – USD 17,700). It was a resistance zone, but we noted that markets like to close gaps, our expectancy going forward was this would eventually be closed. The trend dynamic had changed, as we were now bullish; however, the daily chart highlighted the linear regression line on the bear move lower. We could see that the futures were currently at two standard deviations above the line, an area that had the potential to act as a resistance level in the very near-term. We noted that we would be changing the regression line to chart the bullish data going forward, but we wanted to highlight that the roll today meant that the rolling front month futures were looking overextend, leaving us vulnerable to a technical pullback. Based on the move higher, downside moves were considered as countertrend.
- The futures traded to a high of USD 13,325 on Friday; however, the move is struggling to hold with price back at Friday mornings levels. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 13,033 with the RSI at or below 53.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. Downside moves that hold at or above USD 9,480 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, as noted last week, the futures are trading 2 standard deviations above the linear regression line, meaning we have a note of caution on upside moves at these levels. However, based on the move higher, downside moves are considered as countertrend.

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