

FIS Capesize Intraday

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Capesize March 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	13,191	R1	13,800	RSI above 50	Stochastic overbought	
S2	11,625	R2				14,634
S3	9,769	R3				15,890
					17,700	

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above (70)
- Stochastic is overbought
- Price is above the daily pivot level USD 13,191
- 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 yesterday, the move higher on the open meant we were in divergence on the 4-hour timeframe. Not a sell signal, it warned that we could see a momentum slowdown, which needed to be monitored. The move higher on the open meant we were trading at two standard deviations above the linear regression line on the daily timeframe, in conjunction with the divergence, we maintained a note of caution on moves higher at these levels. However, we also maintained our view that downside moves should be considered as countertrend, making USD 9,497 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease.
- The futures remain continue to see bid support having traded to a new high yesterday. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 13,191 with the RSI at or below 65 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 9,769 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies momentum is supported. However, despite the move higher the RSI remains in divergence with price, warning we could see a momentum slowdown. Bullish with downside moves looking like they should in theory be countertrend, we are trading just above the two standard deviation line on the linear regression (USD 13,550) whilst in divergence. From a technical perspective it means we are cautious on moves higher at these levels, if we close on the daily candle below USD 12,991 it will signal that sell side pressure is increasing, warning Fibonacci support levels could be tested.

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