FIS
Capesize Intraday

Capesize March 25 Morning Technical Comment – 240 Min
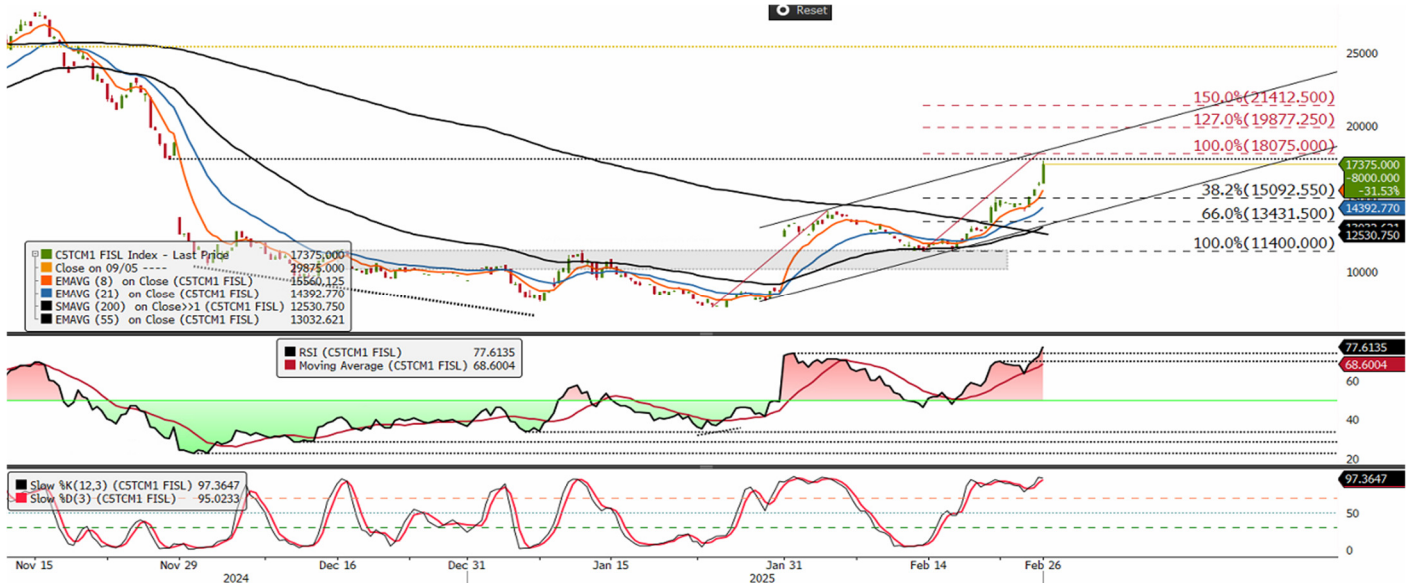
	Support		Resistance	Current Price	Bull	Bear
S1	15,533	R1	18,075			
S2	15,092	R2	19,877	17,375	RSI above 50	Stochastic overbought
S3	13,431	R3	21,412			

Synopsis - Intraday
Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (77)
- Stochastic is overbought
- Price is above the daily pivot level USD 15,533
- Technically bullish yesterday, the MA on the RSI indicated that momentum was supported, whilst our intraday Elliott wave analysis warned we could trade as high as USD 15,525 within this phase of the cycle. We noted in Monday afternoons weekly report that although we are on an intraday Elliott wave 5 whilst in divergence, warning the futures are vulnerable to a technical pullback. The futures would roll into April on Friday, meaning the rolling front month technical should in theory be around USD 3,850—USD 4,000 higher. This was going to create a momentum spike in our oscillators, meaning we would see a bullish Elliott wave extension, warning downside moves are more them likely going to be countertrend after the roll.
- The futures continued to move higher yesterday with price trading above the USD 15,525 target. We have opened higher again this morning with price above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,533 with the RSI at or below 66 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 13,431 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, suggesting support levels should hold if tested in the near-term. The upside move means the divergence has failed; however, we do still have a divergence on the lower timeframe. As noted previously, the rolling front month futures are going to gap higher on Friday (April), creating a bullish Elliott wave extension with the RSI, meaning downisde moves will be considered as countertrend. The high of the bearish gap that formed on the 28/11/24 is at USD 17,700, whilst we have Fibonacci resistance at USD 18,075 and channel resistance at USD 18,233, meaning we are now approaching a resistance cluster, implying caution as we approach this area.