

Capesize Oct 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	30,841	R1	30,215	31,125	RSI above 50	Stochastic overbought
S2	29,700	R2	32,300			
S3	29,500	R3	34,196			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above the daily pivot level (USD 30,841)
- Technically bullish yesterday, the futures remained in divergence with the RSI whilst below the linear regression resistance, meaning we continued to have a note of caution on upside moves at these levels. As noted previously, if we closed and held above the linear regression line, it would support a near-term bull argument, warning the USD 32,300 resistance could come under pressure. Conversely, a close below the USD 29,500 support would warn that buyside pressure was decreasing, whilst a close below trend support (USD 29,199) will indicate sell side pressure was increasing, warning support levels could come under pressure.
- The futures have held above the USD 29,500 support, resulting in a another move higher. We are 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 30,841 with the RSI at or below 60 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 21,597 will support a longer-term bull argument, below this level the Elliott wave cycle will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is supported, the futures have held above the USD 29,500 support, creating a fractal support at USD 29,700. Market sellers should be cautious on a corrective moves below this level, as it will indicate that sell side pressure is increasing. Conversely, a close that holds above the linear regression line (USD 30,215) will imply buyside pressure is increasing, warning the USD 32,300 resistance could come under pressure. From a technical perspective, we continue to be cautious on upside moves due to the divergences in play.