

Capesize Feb 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	15,406	R1	15,850	
S2	13,634	R2	17,000	Stochastic oversold
S3	11,377	R3	17,788	RSI below 50

Source Bloomberg

Synopsis - Intraday

- Price is below the 8–21 period EMA's
- RSI is below 50 (34)
- Stochastic is oversold
- Price is below the daily pivot level (15,850)
- Technical outlook—Cautious bull. As highlighted previously, the higher high supported a bullish price structure yesterday whilst the moving average on the RSI implied that momentum was supported. However, the broader trend was still yet to turn bullish as we remained below a bearish sloping 55-period EMA (USD 18,122) with the RSI below 50. For upside continuation, the market would need to close above and hold above this medium-term average, ideally accompanied by a bullish RSI confirmation. As highlighted last week, the presence of a negative divergence warranted continued caution on downside moves breakouts below USD 15,750.
- The futures have sold below the USD 15,750 fractal low meaning the technical is back in bearish territory. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,850 with the RSI at or above 38.5 will mean price and momentum are aligned to the buyside.
- Technical outlook—Weakening price action in the prior session drove futures to a new low, resulting in a positive RSI divergence. While the broader technical structure remains bearish, the presence of divergence warrants caution on further downside, as sell-side momentum may begin to decelerate. This slowdown in downside momentum increases sell-side risk, with the futures becoming more vulnerable to corrective rebounds. As a result, while the bearish bias remains intact, the technical backdrop argues for a more cautious approach to pursuing lower prices.