

Capesize Feb 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1 17,075	R1 17,867	17,375	RSI above 50	Stochastic overbought
S2 16,800	R2 18,637			
S3 15,375	R3 19,681			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8–21 period EMA's
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot level (17,075)
- We noted yesterday that we were taking an incremental approach to this technical setup. Futures reached our downside target of USD 15,406, highlighted last week, before rebounding on a positive RSI divergence. The RSI moving average suggested intraday momentum support, with price attempting to test the USD 16,800 fractal resistance. A move above this level would shift the price-based technical bias to bullish. That said, the longer-term structure remained bearish, with the 55-period EMA sloping lower at USD 17,451 and the RSI holding below 50. While price is currently receiving buy-side support, sustained upside continuation would require a move above the 55-period EMA—ideally accompanied by the RSI reclaiming 50—to confirm broader momentum support. While the divergence remained in play, we continue to exercise caution on further downside moves.
- The futures traded to a high of USD 17,950 on the open, resulting in price trading above the USD 16,800 fractal resistance, the intraday technical is bullish based on price. However, a light pullback means price is now trading on the 55-period EMA (USD 17,427). We are above the 8–21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 17,075 with the RSI at or below 38 will mean price and momentum are aligned to the sell side.
- Technical Outlook — Bullish Inflection Point. The outlook is bullish based on price action. As noted previously, sustained upside continuation required a move above the 55-period EMA, ideally accompanied by the RSI reclaiming 50. With price advancing on the divergence for three consecutive days, we can now confirm that buy-side pressure is increasing on the higher timeframe, warranting continued caution on corrective moves lower. That said, price is currently at an inflection point, trading directly on the 55-period EMA. A failure to hold above this average would leave the market vulnerable to a near-term intraday throwback