

## Capesize Feb 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	19,975	R1	21,900		RSI above 50	Stochastic overbought
S2	18,604	R2	22,511			
S3	17,151	R3	23,661			

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8–21 period EMA's
- RSI is above 50 (69)
- Stochastic is overbought
- Price is above the daily pivot level (19,975)
- Technical outlook yesterday: Bullish. The RSI moving average continued to indicate supported momentum yesterday; however, the RSI was back-testing a resistance zone, which warranted monitoring as it could leave momentum vulnerable to a near-term slowdown. Countering this, both price and the RSI had registered new highs during the recent rally, suggesting that any downside moves should be considered countertrend in nature. USD 16,905 was identified as the key support level to monitor. Corrective moves that held at or above this level would indicate underlying buy-side support remained intact. Conversely, a break below USD 16,905 would weaken the integrity of the bullish structure and warn that price may struggle to achieve new highs. Overall, while the broader outlook remained bullish and corrective throwbacks were viewed as countertrend, the RSI testing resistance did warrant caution on upside moves in the near term.
- The futures continue to see bid support with price trading to a high of USD 21,375 on the open; however, bids have since started to fade. We remain above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned at the buy side.
- A close on the 4-hour candle below USD 19,975 with the RSI at or below 58 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 17,151 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Bullish. Momentum remains supported with downside moves considered as countertrend; however, the RSI continues to trade within its resistance zone, warranting caution on upside moves in the near-term. Throwbacks that hold at or above USD 17,151 will indicate underlying buy-side support remain intact. Conversely, a break below USD 16,905 would weaken the integrity of the bullish structure and warn that price may struggle to achieve new highs. Overall, while the broader outlook remains bullish and corrective throwbacks are viewed as countertrend, the RSI testing resistance does continue to warrant caution on upside moves in the near term.