

## Capesize Feb 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1 24,000	R1 25,083	23,750	RSI above 50	Stochastic overbought
S2 22,583	R2 26,091			
S3 21,875	R3 27,375			

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8–21 period EMA's
- RSI is above 50 (71)
- Stochastic is overbought
- Price is above the daily pivot level (24,000)
- Technical Outlook Monday: Bullish. The recent rally has brought the USD 21,375 fractal high under pressure. A confirmed break above this level would open the way toward the USD 22,583 Fibonacci projection target. However, an upside breakout would likely result in a negative divergence with the RSI, signaling that buy-side momentum may begin to slow and should therefore be closely monitored. While price remained below USD 21,375, our Elliott wave analysis suggested that any downside moves should be viewed as countertrend in nature.
- The futures have traded above the USD 21,375 high. As noted in the close report on Monday, a close that held above the 200-period MA with the divergence failing would indicate we were looking at an Elliott wave extension, this has been the case. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 24,000 with the RSI at or below 64 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 20,915 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Bullish.
- The sustained move above the 200-period MA and divergence failure have signaled a bullish lower timeframe Elliott wave extension, indicating downside moves should be considered as countertrend, making USD 20,915 the key support to follow. A move below this level would weaken the broader structure and warn that the probability of price trading to a new high would be reduced. Based on the fact that we roll at the end of the week with March trading at a premium, the market should be prepared for further wave extensions.