

Capesize March 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	26,213	R1	27,141	
S2	25,657	R2	28,490	RSI above 50
S3	25,078	R3	30,375	

Source Bloomberg

Synopsis - Intraday

- Price is between the 8–21 period EMA's
- RSI is above 50 (59)
- Stochastic is below 50
- Price is below the daily pivot level (27,141)
- Technical Outlook Friday: Bullish—Bullish—cautious on moves lower. The futures remained in a corrective phase with the RSI moving average warning that momentum remained weak at that point. Price was consolidating but was still considered as corrective due to being below USD 28,490, above this level would signal an increase in buy-side pressure, indicating we would potentially be entering a bullish impulse Elliott wave 5. As highlighted previously, our Elliott wave analysis did indicate that downside moves should be considered as countertrend; however, we noted that if we failed to trade above the 28,490 resistance in the near-term, it would warn that we could see another leg lower within this corrective phase.
- The futures remain below the USD 28,490 resistance, resulting in price seeing a small move lower. We are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 27,141 with the RSI at or above 64.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 22,606 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Approaching trend support
- The failure to trade above the USD 28,490 resistance has resulted in price approaching the trend support at USD 26,213. A sustained close below USD 26,213 would leave the Fibonacci support zone vulnerable; conversely, if support holds, then the USD 28,490 resistance should come back under pressure. Technically, our Elliott wave analysis indicates that downside moves should be considered as countertrend, we identify USD 22,606 the key support to follow, as a move below this level will reduce the probability of price trading to a new high. Price is approaching an inflection point, we now need to see if the trend support is defended or broken.