

## Capesize March 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1 27,750	R1 28,490	28,375	RSI above 50	Stochastic overbought
S2 27,250	R2 30,375			
S3 25,657	R3 33,375			

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8–21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is below the daily pivot level (27,250)
- Technical Outlook Tuesday: Bullish—On trend support. We were consolidating between USD 25,850—USD 27,750 area yesterday with price testing the trend support line at USD 26,620, meaning we were at an inflection point. A close that held below trend support would warn that there should be further downside within the corrective phase; however, as highlighted previously, our Elliott wave analysis continued to suggest that downside moves should be considered as countertrend. Conversely, if we held above trend support, resistance levels would remain vulnerable. Near-term price action was neutral due to the consolidation phase
- The futures held trend support (USD 27,250) resulting in price moving higher. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 27,250 with the RSI at or below 59.5 will mean price and momentum are aligned to the sell side. 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: Bullish
- The futures have held trend support with price breaking the consolidation phase to the upside, warning the USD 28,490 Fibonacci resistance will be tested and broken. If it is, it will signal an increase in buy side pressure, at this point market buyer's will target the USD 29,850 fractal high. The RSI moving average and the stochastic both imply momentum is supported at this point. Market longs should be cautious on a close below the trend support line at USD 27,250, as this will also put price back in the consolidation zone, indicating we are seeing an increase in sell side pressure.