

Capesize March 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	28,883	R1	30,291	
S2	28,793	R2	31,496	RSI above 50
S3	27,460	R3	33,211	

Source Bloomberg

Synopsis - Intraday

- Price is above the 8–21 period EMA's
- RSI is above 50 (62)
- Stochastic is oversold
- Price is above the daily pivot level (28,883)
- Technical Outlook Thursday: Cautious bull
- Light bid support on the open yesterday meant that price was above a minor trend resistance line at USD 28,910; however, we noted that we were yet to close above the resistance line. If we did, it would warn that intraday buyside pressure was increasing, warning price could move higher in the near-term. Countering this, the move lower yesterday had momentum confirmation, as both price and the RSI had made new lows, while a move above USD 30,625 the futures would be divergent, implying upside moves could struggle to hold. Intraday support was potentially forming, based on momentum we remained cautious on higher moves at that point.
- Having broken the bearish trend resistance yesterday the futures have seen bid support this morning. We are above all key moving averages with RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 28,883 with the RSI at or above 63 will mean price and momentum are aligned to the buyside. Likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 27,460 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: cautious bull
- Buyside pressure is increasing on the trend resistance break with price USD 1,500 higher on the open this morning. The RSI is above 50 with the stochastic in oversold territory, warning that USD 30,625 fractal resistance could be tested and broken. However, above this level, both the RSI and stochastic will be divergent with price; not a sell signal it warns that we could see a momentum slowdown, this will need to be monitored. Technically, resistance could be about to come under pressure, but momentum continues indicate that price will be divergent, meaning we maintain a cautious approach on higher moves, as they could struggle to hold.