

FIS Capesize Intraday

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Capesize March 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	29,791	R1	29,375	RSI above 50	
S2	29,179	R2			
S3	28,625	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is above 50
- Price is below the daily pivot level (30,333)
- Intraday Technical Outlook Monday: cautious bull
- We noted yesterday that the trend resistance break had resulted in price trading to a new high; however, the futures were in divergence on the 4-and-1-hour timeframes, warning buyside momentum could slow down, meaning we maintained a cautious approach on higher moves. If we traded below USD 28,625 it would indicate an increase in sell-side pressure, warning the USD 27,672 support could be tested and broken. If it was, then the probability of price trading to a new high would start to decrease. With the divergences in play, we maintained a cautious approach to higher moves at those levels.
- The futures are now selling lower on the negative divergence with the RSI. Price is below 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 30,333 with the RSI at or above 62 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 27,672 will support a bull argument, below this level the technical will have a neutral bias.
- Intraday Technical Outlook: cautious bull
- Sell-side pressure is starting to increase due to the negative divergence with the RSI, warning the USD 28,625 fractal support is becoming vulnerable. If broken, market sellers will target the USD 27,672 Fibonacci support. We identify this as a key level on the technical, if broken, then the probability of price trading to a new high within this phase of the cycle will begin to decrease. However, corrective throwbacks that hold at or above USD 20,822 will warn that there could be a larger, bullish Elliott wave cycle coming into play. Price is now below the weekly pivot level at USD 29,866, a daily close below this level will further weaken the technical. With price selling lower on the negative divergence, we maintain a cautious approach on higher moves at this point.

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