

# FIS Capesize Technical Report

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## *FIS Capesize Technical Report*

### Synopsis:

#### Index

The index remains in a corrective phase but above the USD 13,608 level. Price action that holds at or above this level would (unbelievably) keep the longer-term trend in bullish territory. Below this level the pullback would be considered as deep and the phase neutral. The momentum slope is bearish as the RSI makes lower lows and lower highs meaning that upside resistance levels should hold in the near-term. Price action that closes above the USD 17,382 level would indicate the technical picture is improving, if the RSI goes above and holds above 46 this would lend support to any rise in price.

#### Oct

The daily technical is making lower highs and lower lows meaning it is technically bearish. However intraday price action is showing positive divergences between the 60 min—240 min time frames warning of a potential momentum slowdown. Note; divergences re not trade signals. Price action below USD 17,935 would suggest a further weakening of the technical picture; however if this level holds then the intraday divergences will become more relevant. Bearish but some signs of exhaustion would leave a cautious view from a technical perspective. A final note on the RSI, if for some reason the RSI goes below 36 on the daily chart (currently 45) then we could see a further breakdown in price based on previous behaviour.

#### Q4

The futures have entered a corrective [phase after an intraday 5 wave cycle completion supported by an RSI divergence. Price is making lower lows with the RSI below 50 on the daily chart but in divergence on the intraday chart, warning of a potential momentum slowdown. This is supported by the daily stochastic which is oversold. The RSI momentum slope is currently bearish suggesting upside moves should be considered as countertrend at this point maeninf resistance levels in theory should hold.

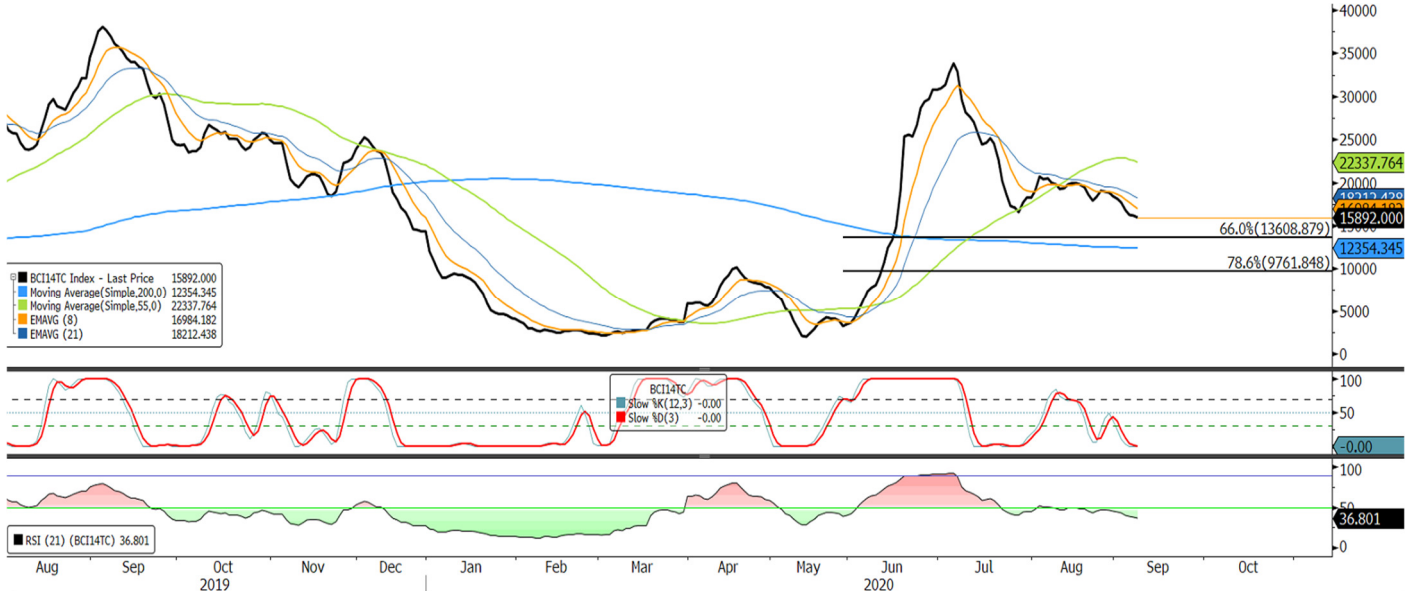
#### Cal 21

Like the rest of the Capesize complex the RSI is below 50 the futures are making lower lows and the intraday technical has the potential to diverge on a new low suggesting the near-term technical is oversold at this point

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## Capesize Index



	Support	Resistance	Current Price	Bull	Bear
S1	15,654	R1	15,892	Stochastic oversold	RSI below 50
S2	15,057	R2			
S3	13,608	R3			

### Synopsis - Intraday

Chart source Bloomberg

- Price is below the 8–21 period EMA’s
- RSI below 50
- Stochastic oversold
- Last report—Technically the index remains in a corrective phase and vulnerable to further tests to the downside. Momentum indicators and moving averages are showing signs of neutrality.  
**Index is USD 4,600 lower**
- The index remains in a bear phase below the weekly pivot point, the 55 period MA and the 8–21 period EMA’s. However, price remains above the 200 period EMA which is at USD 12,354
- Downside moves that hold above the USD 13,608 level would be deep into the last bull wave (USD 3,228—USD 33,760) taking the longer term trend to neutral. However price action that holds above this level would leave the technical vulnerable to further tests to the upside
- Upside moves above the USD 17,382 level would indicate the technical picture is improving based on price. If the RSI goes above and stays above the 46 level this would support the upside price action

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## Capesize Oct 20



Support		Resistance		Current Price	Bull	Bear
S1	17,958	R1	20,000	18,425	Stochastic oversold	RSI below 50
S2	15,475	R2	23,075			
S3	12,107	R3	23,619			

### Synopsis - Intraday

- Price is below the 8–21 period EMA's
- RSI is below 50 (45)
- Stochastic is oversold
- A little ambiguous on the last report as the upside move had proven to be deep as above the 66% retracement level. However price action failed at the 78.6 level with the overbought stochastic signalling the price exhaustion rather than the RSI
- The daily technical is now making lower highs and lower lows indicating it has entered a bearish phase. However price is now entering the top of the Fibonacci support zone with the stochastic in oversold territory and the intraday RSI in divergence, all of which would warn that we have the potential to see a momentum slowdown
- Countering the intraday divergence and oversold stochastic is the slower moving RSI which is below 50 and considered as bearish
- Technically bearish there are intraday signs suggesting momentum is slowing as we enter back into the Fibonacci support zone. Upside moves above USD 20,000 would create a higher high on the intraday suggesting the technical picture is turning bullish

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## Capesize Q4



	Support	Resistance	Current Price	Bull	Bear	
S1	17,527	R1	17,625	Stochastic oversold	RSI below 50	
S2	17,007	R2				20,250
S3	16,125	R3				20,868

### Synopsis - Intraday

- Price is below the 8–21 period EMA’s
- RSI is below 50 (44)
- Stochastic is oversold
- On the last report the technical was not considered a buy based on the intraday 5 wave pattern and the negative divergence which this has proven to be the case. Upside moves failed to hold with price now making lower lows in the market
- The RSI is now below 50 and in bearish territory with the stochastic in oversold territory meaning the longer-term momentum is now considered as bearish. The intraday RSI (4-hour) is showing a positive divergence warning of a potential momentum slowdown supporting the over-sold daily stochastic
- The RSI Momentum slope is bearish indicating upside moves are to be considered as counter-trend at this point. Price action that trades above the USD 18,562 level would suggest the technical picture is improving

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## Capesize Cal 21



	Support	Resistance	Current Price	Bull	Bear
S1	13,208	R1	13,550	Stochastic oversold	RSI below 50
S2	12,925	R2	13,675		
S3	12,541	R3	13,925		

### Synopsis - Intraday

- Price is below the 8–21 period EMA’s
- RSI is below 50 (45)
- Stochastic is oversold
- Technically corrective with the futures making lower lows and lower highs
- Like the rest of the cape complex the RSI is below 50 with the stochastic oversold and a potential for an intraday divergence with the RSI on a new low.
- The divergences on the intraday are warning that the near-term technical is potentially oversold. However, as highlighted on the Q4 futures the momentum slope on the RSI would suggest that upside resistance levels should hold on the daily technical
- Technically bearish but approaching Fibonacci support levels with a momentum slowdown on lower timeframes indicating the near-term is potentially a little oversold