

# FIS Capesize Technical Report

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## Synopsis:

### Index

Technically bearish with price and RSI on support. However the downside move in price is accelerating warning of technical weakness and suggesting near-term support levels could come under pressure here. The Index needs to trade above the USD 14,848 level for price to be considered as bullish. For RSI to give momentum support to price it would need to be at 47 or higher.

### December

The futures have broken the 200 period MA indicating technical weakness. Price and RSI are both on support at this point. Downside moves that hold below the 200 period MA remain technically bearish but price that closes above the average would warn of a potential technical reversal. The RSI momentum slope is bearish below 45. An open tomorrow above USD 13,400 tomorrow would warn that the technical picture is improving, however this would be considered to be countertrend move based on the placing of the RSI and its slope.

### Q1 21

The Q1 futures held at technical resistance and is back in a selling phase. Price action is technically bearish with a near-term downside target of USD 7,675 then USD 7,250. There is a chance we will produce a positive divergence on an new low, warning of a potential for a momentum slowdown. Bullish daily closes below USD 7,675 would have the potential to create a round of short covering. Keep an eye on the Capesize V Panamax Q1 spread as this is currently below 0 and could attract buying support in the Capsize on the back of it.

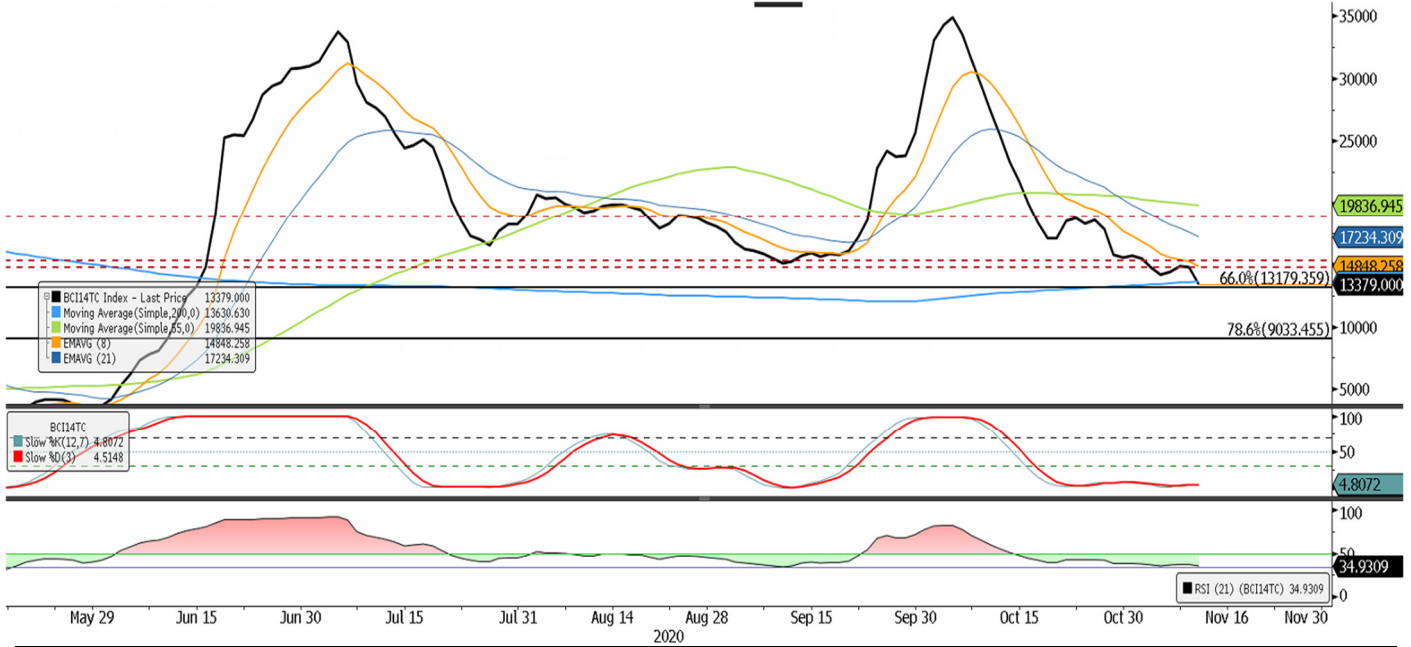
### Cal 21

Like the rest of the Capesize complex the futures have seen downside price action over the last few days in line with the longer-term bearish trend. The upside moves as highlighted last week did turn out to be a countertrend move. Price has held at the USD 12,850 support that formed on the 05-11-20, depending on the close we have the potential to close above the candles mid- point warning that downside momentum is weakening. Bearish but the potential to diverge below USD 12,850 is a warning that momentum could slowdown soon

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## Capesize Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	13,379	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

- Price is below the 8 - 21-period EMA's
- RSI is below 50 (34)
- Stochastic is oversold
- The Index is in a bearish trend with price making lower highs and lower lows
- The RSI is below 50 in bearish territory and on support, if the RSI goes below 34 the divergence will have failed
- Price is in on Fibonacci and just below the 200 period MA support (USD 13,630—USD 13,179)
- Technically bearish and in trend with price and the RSI on support. USD 1,402 lower today the index is showing price acceleration to the downside warning support levels could be broken
- Upside moves would need to close above the USD 14,848 level for the index to make a higher high and be considered as bullish. The RSI would need to be at 47 or higher for momentum to support bullish price action

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## Capesize December (1 Month forward)



	Support	Resistance	Current Price	Bull	Bear
S1	13,038	R1	13,150	Stochastic oversold	RSI below 50
S2	12,262	R2			
S3	11,486	R3			

### Synopsis - Intraday

- RSI is below 50
- Stochastic oversold
- Price is below the 8 -21 period EMA's
- On the last report we highlighted the futures were on the 200 period daily MA having retraced for 10 days, a period in time where we had seen previous exhaustion points. The futures traded up to USD 15,500 but failed below USD 18,164 leaving it vulnerable to further test to the downside.
- The daily price is now below the 200 period MA indicating technical weakness suggesting we have further downside in this move.
- Both price and the RSI are currently on support levels, however if the futures hold below the 200 period MA then support is likely to be broken. Likewise, upside moves that close above the USD 14,208 level would warn that price action is starting to firm
- The RSI is at 36 with bearish momentum slope, if the RSI gets to 45 or higher the momentum slope is seen to be turning bullish

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## Capesize Q1 21



	Support	Resistance	Current Price	Bull	Bear
S1	7,675	R1	7,975	Stochastic oversold	RSI below 50
S2	7,250	R2			
S3	6,907	R3			

### Synopsis - Intraday

- Price is between the 8-21 period EMA
- RSI is below 50 (43)
- Stochastic is oversold
- Technically bearish and in a countertrend move last week, the price acceleration had suggested we could try for the USD 9,188 technical resistance. However, the 21 period/50% Fibonacci retracement held around the USD 8,700, level with the futures moving lower once again
- Near-term downside support is at the previous low of USD 7,675, price action that trades below this level would target the USD 7,250 level and potentially lower. However we do have the potential to create a positive divergence below the USD 7,675 level. Not a buy signal this is a warning to be on the watch for bullish daily closes on the basis we could see a momentum slow-down
- The RSI remains below 50 with a bearish RSI slope whilst the Stochastic also below 50

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## Capesize Cal 21



	Support	Resistance	Current Price	Bull	Bear
S1	12,850	R1	12,950	Stochastic oversold	RSI below 50
S2	12,794	R2			
S3	12,298	R3			

### Synopsis - Intraday

- Price action is below the 8 – 21 period EMA
- RSI is below 50
- Stochastic is in divergence
- On the last report we highlighted that upside moves look to be countertrend and this has been the case. The daily candles are once again producing lower lows and lower highs indicating technical weakness
- The futures have tested the USD 12,850 support that formed on the 05-11-20. Support has held today with the RSI and stochastic both looking to produce a positive divergence. Not a sell signal it is a warning that we have the potential to see a momentum slowdown below the USD 12,850 level
- Upside moves that trade above the USD 13,300 level would create a higher high in the market and be considered as technically bullish
- Technically bearish, however the potential for positive divergence is warning that downside moves could see a momentum slowdown in the near-term