

# FIS Capesize Technical Report

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## Synopsis:

### Index

Price is now holding above the 200 period MA supporting bullish momentum based on price. The RSI is now at 60.5, we have highlighted 62 as a key area of resistance for, as upside moves above this level have previously caused a momentum run on the index. Obviously, this is based on historical performance and is not guaranteed, but it has worked on the past 6 occasions, meaning the market needs to be aware of it. If resistance holds then the index is vulnerable to a technical pullback.

### April 21

The futures remain bullish and in trend above all key moving averages. The RSI is now above the 65-resistance level, indicating we have the potential for a momentum breakout; however, downside moves below the 65 level would warn that we could see a technical pullback. Corrective moves lower that hold at or above the USD 15,265 level would support a buyer's argument, below this level the Pullback would be considered as deep and the technical phase neutral. The Elliott wave cycle is unclear as the move looks to be an extended wave 5 when using our intraday momentum indicators, however the current wave is now longer in time and price than the initial move higher in Feb, this would indicate we are looking at a wave 3. If the index can push above and hold above the 62 level on the RSI, then there is a greater the probability that this will be a wave 3, if it does not then we can expect a corrective move lower.

### Q2 21

The Q2 futures remain technically bullish and in trend, supported by the RSI above 50 and price above the EMA's. Intraday Elliott wave analysis would suggest that the futures are on a wave 3 of the current phase that started on the 19/02/21, this would imply that downside moves should be considered as countertrend at this point. Corrective moves that hold at or above the USD 18,404 level would support a buying argument, below this level the pullback is considered as deep and the corrective phase neutral.

### Cal 22

Technically bullish and in trend with the intraday wave analysis suggesting we are on a wave 3 of the phase that started on the 23/02/21. Downside moves that hold above the USD 16,552 level would support a buyer's argument, below this level the technical will enter a neutral phase.

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## Capesize Index



	Support	Resistance	Current Price	Bull	Bear
S1	17,136	R1	21,137	RSI above 50	Stochastic overbought
S2	16,117	R2	23,120		
S3	14,172	R3	26,489		

### Synopsis - Intraday

Source Bloomberg

- Price is above the 200 period MA
- RSI is above 50 (60)
- Stochastic is overbought
- The index traded above and held above the USD 17,876 level putting price above the 200 period MA, this has supported the bull argument with the index now above the 50% retracement level.
- Near-term upside resistance is at USD 21,137, with further resistance at USD 23,120
- The RSI is now at 60, we have highlighted 62 as a key resistance level, upside moves on the RSI that go above and hold above this level would signal that we are having a momentum push that could potentially result in an upside move in the region of 10k, based on previous historical performance. Note this is an observation based on previous moves and not a guarantee that it will be replicated
- If we fail at the 62 resistance level then we have the potential to enter into a corrective phase
- Technically bullish, the futures need to go a little higher to get through this momentum resistance

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## Capesize April 21 (1 Month forward)



	Support	Resistance	Current Price	Bull	Bear
S1	19,365	R1	24,550	RSI above 50	Stochastic overbought
S2	17,625	R2			
S3	15,265	R3			

Source Bloomberg

### Synopsis - Intraday

- RSI is above 50
- Stochastic is overbought
- Price is above the 8 –21 period EMA’s
- On the last report we noted that we could be in the early stages of a corrective phase within a bullish trend. The market opened lower the following day but held on the 8 period EMA, downside support levels were not tested, and the futures continued to move higher.
- The futures remain in a bull trend with the current wave longer in length than the previous wave.
- The RSI is now starting to move above the 65 level which has previously acted as a resistance, this is warning that we have the potential for a momentum breakout. If the RSI drops below the 65 resistance we could see some form of technical pullback
- Near-term upside target is now at the USD 26,061 level
- Technically bullish and in trend, intraday momentum indicators are in divergence, however they have been for the last USD 4,000. The current intraday Elliott wave count has extended but it is unclear if this is the extended 5th or wave 3. At this point it looks like an extended 5 but if it continues to move higher it could be a wave 3

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## Capesize Q2 21



	Support	Resistance	Current Price	Bull	Bear
S1	21,350	R1	24,700	RSI above 50	Stochastic overbought
S2	20,100	R2	27,373		
S3	18,404	R3	28,481		

Source Bloomberg

### Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (72)
- Stochastic is overbought
- As with the April futures, the downside move in the Q2 failed to test our support levels, resulting in an upside move in the futures
- Price is above all key averages with the RSI above 50, supporting bullish price action
- Downside moves that hold at or above the USD 18,404 level remain in bullish territory, below this level the pullback is considered as deep and the technical phase neutral
- Intraday Elliott wave analysis support a bullish trending environment with the current upside move that started on the 19/02/21 indicating we are on a wave 3 of this phase, implying downside moves should be considered as countertrend at this point

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## Capesize Cal 22



	Support	Resistance	Current Price	Bull	Bear
S1	17,004	R1	17,450	RSI above 50	Stochastic overbought
S2	16,812	R2	18,125		
S3	16,552	R3	18,405		

### Synopsis - Intraday

Source Bloomberg

- Price is Above all key moving averages
- RSI is above 50
- Stochastic is overbought
- The futures did not produce a new low close keeping the technical in bull territory, the RSI divergence failed on the upside move on the 15/03/21
- Price is now testing the USD 17,450 Fibonacci resistance (100% projection level of the previous wave)
- Intraday Elliott wave analysis would suggest we are on wave 3 of the move that started on the 23/02/21. this would suggest that downside moves should be considered as countertrend at this point
- Corrective moves lower that hold at or above the USD 16,552 level would support a buyers argument, below this level the pullback would be considered as deep into the current wave 3 and take the technical into a neutral phase