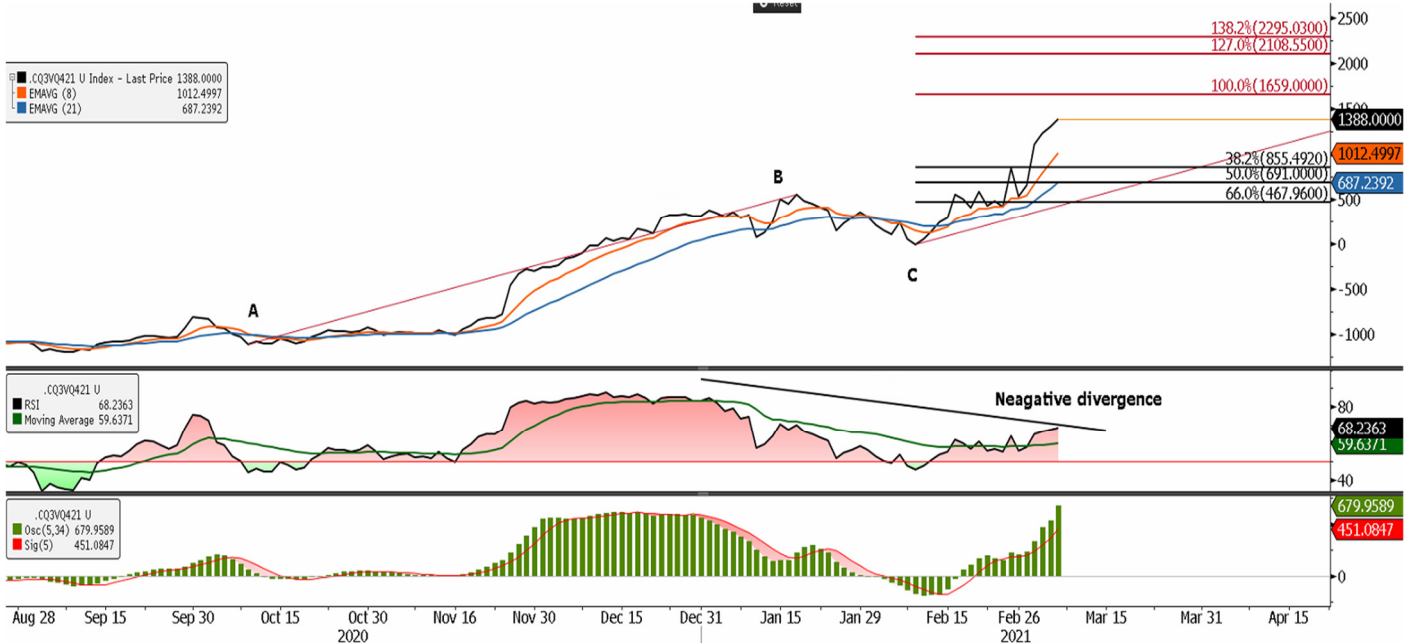


FIS Capesize Q3 v Q4 21 Spread

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Capesize Q3 v Q4 spread



Support	Resistance	Current Price	Bull	Bear
S1	R1	1,388	RSI above 50	Negative divergence
S2	R2			
S3	R3			

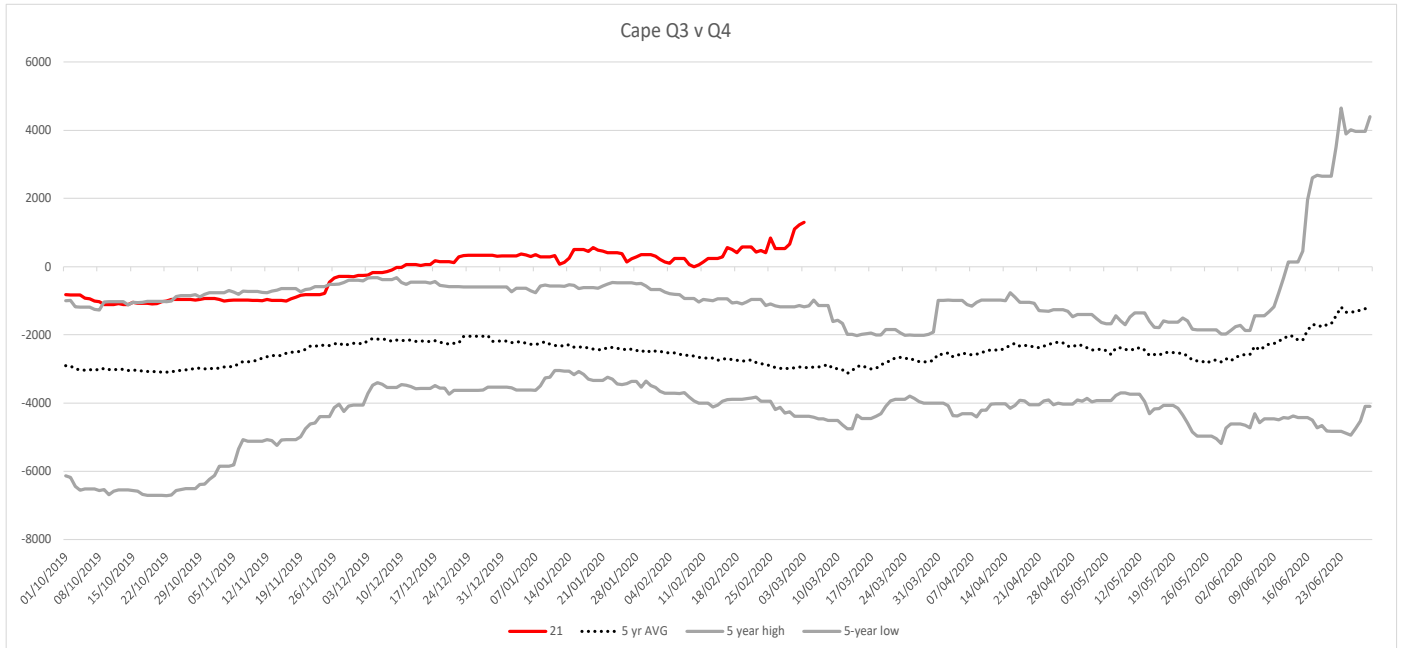
Synopsis - Intraday

Source Bloomberg

- Price is below 8—21 period EMA's
- RSI is above 50 (68)
- MACD making new highs
- The trend is technically bullish above the EMA's with the RSI above 50
- Using Fibonacci extensions to measure the initial move A—B and projecting from C we have a near-term upside target of USD 1,659 with further resistance up to USD 2,295
- The RSI is showing a negative divergence warning of the potential for a momentum slowdown. However, the RSI has the potential to remain in divergence for another 20 points whilst MACD is making a new high. Momentum is suggesting that we have further upside moves within this trend
- Downside moves that hold at or above the USD 467 level would support a buyers argument, below this level the pullback would be considered as deep and the phase neutral. This would also suggest that we could see a rebalance in the spread as highlighted on the following page

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- We can see that the spread is around USD 4,000 above the 5 year average values which does warn it could be over-extended
- Price is USD 2,300 above the 5 year average high
- 5 year average values turn bullish around the 12th of March until late April
- The seasonality chart is signaling that it is overextended but not bearish, suggesting that downside moves could find buying support at lower levels
- The technical is indicating we have the potential for further moves to the upside. This would support the MACD that has made a new high and suggest that downside moves should be considered as countered
- If the technical is correct then market pullbacks should stay above the USD 467, if we trade below this level then we could see the spread rebalance targeting at least the 5 year average highs and potential the 5 year average values

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