

FIS Capesize Technical Report

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Index

The downside move below the USD 27,333 level means the pullback is considered as deep, indicating the technical is considered as neutral. Daily price action remains weak with the index needing to close above the USD 27,184 level for momentum to be seen as increasing based on price. Upside moves that fail at or below USD 29,733 would leave the technical vulnerable to further tests to the downside, above USD 32,825 would create a higher high and support a bull argument.

July 21

The technical remains in a corrective phase with price above USD 28,210, meaning the longer-term trend remains bullish, below this level the pullback is considered as deep and the technical phase neutral. A close above the USD 35,675 level would indicate momentum is improving based on price, warning the USD 38,625 level could be tested. The current daily candle has a lower low and lower high compared to yesterday, indicating we could have bearish follow through tomorrow; however, momentum is warning that the technical is vulnerable to an upside move, suggesting we could see buying support at lower levels.

Q3 21

The futures have entered a corrective phase on the back of a negative divergence with price now at the top of the Fibonacci support zone. Downside moves below USD 30,850 would suggest that the futures could test our key support at USD 27,975. If we hold it will support a bull argument, below this level the technical is considered as neutral. A close above the USD 35,500 level would indicate that momentum is improving based on price and above the USD 36,412 level it would warn the USD 38,750 high could be tested.

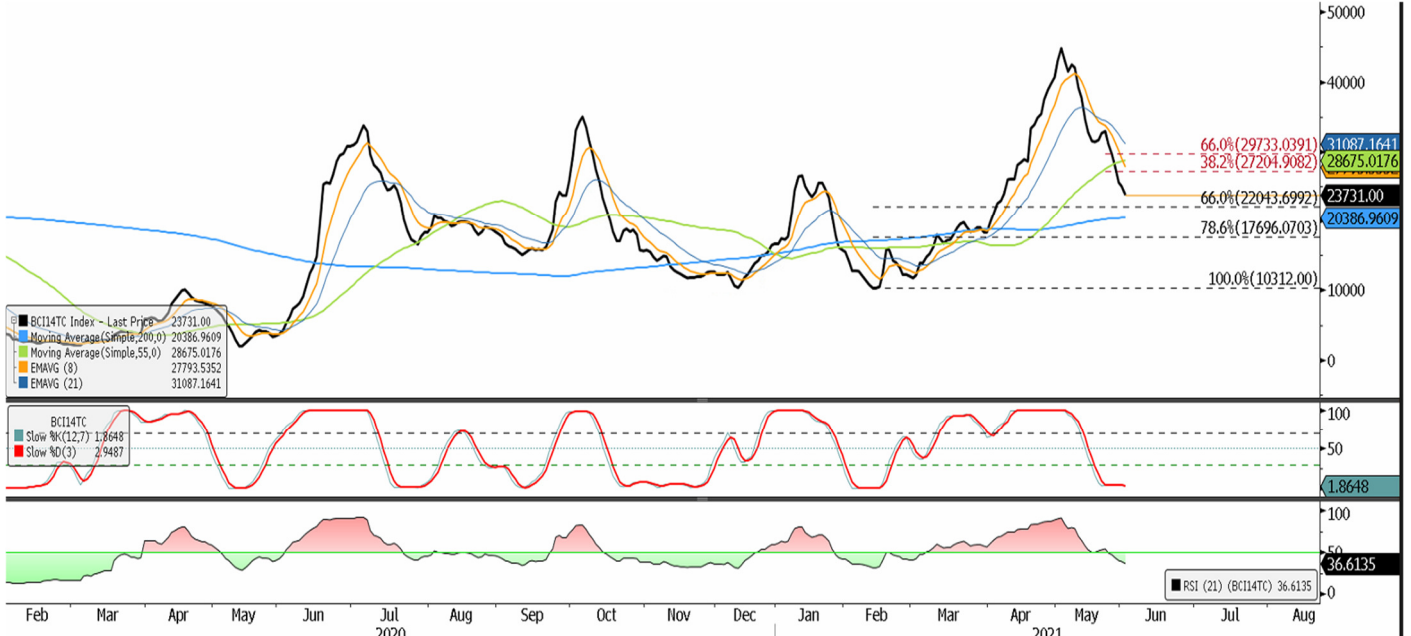
Cal 22

The futures held in bullish territory resulting in a new high and a negative divergence. The trend remains technically bullish but looks to be entering into a consolidation phase based on the flattening EMA's. Downside moves below the USD 20,125 level would create a lower low and be considered as bearish based on price; however, corrective moves lower that hold above the USD 18,479 level would support the longer-term bull argument.

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Capesize Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	23,731	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (36)
- Stochastic is oversold
- The downside move below the USD 27,333 level means the index is considered as neutral as the downside pullback is deep into the last bull wave.
- Price is below the 8—21 period EMA's with the RSI below 50 indicating the technical environment remains weak
- An upside move that closes above USD 27,184 would imply momentum is improving based on price and warn that the USD 3,825 high could be tested. Upside moves above this level would support a bullish argument based on the index making a higher high
- Downside moves that close below the 18,327 level would indicate the technical is weakening further warning we could test the USSD 15,856 level

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Capesize July 21 (1 Month forward)



	Support	Resistance	Current Price	Bull	Bear
S1	32,462	R1	32,500	Stochastic oversold	RSI below 50
S2	28,210	R2			
S3	24,862	R3			

Source Bloomberg

Synopsis - Intraday

- RSI is below 50 (49)
- Stochastic is oversold
- Price is below the 8 –21 period EMA’s
- The futures remain in a corrective phase with price below the 8—21 period EMA with the current daily candle trading below yesterday’s low.
- The RSI is at 50 with the stochastic in oversold territory. If the RSI goes above and holds above the 50 level, then momentum would suggest the technical is vulnerable to a test to the upside
- A close above the USD 35,675 level would suggest that momentum is improving based on price, warning the futures have the potential to test the USD 38,625 resistance
- Downside moves that trade below the USD 29,625 level would warn the USD 28,210 support could be tested. If the USD 28,210 level holds it will support a buying argument, if it is broken it would put the futures in a neutral phase
- The rolling front month contract remains in bullish territory but in a corrective phase. Momentum would suggest the technical is vulnerable to further tests to the upside

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Capesize Q3 21



	Support	Resistance	Current Price	Bull	Bear
S1	32,513	R1	32,600	RSI above 50	
S2	30,587	R2			
S3	27,975	R3			

Synopsis - Intraday

Source Bloomberg

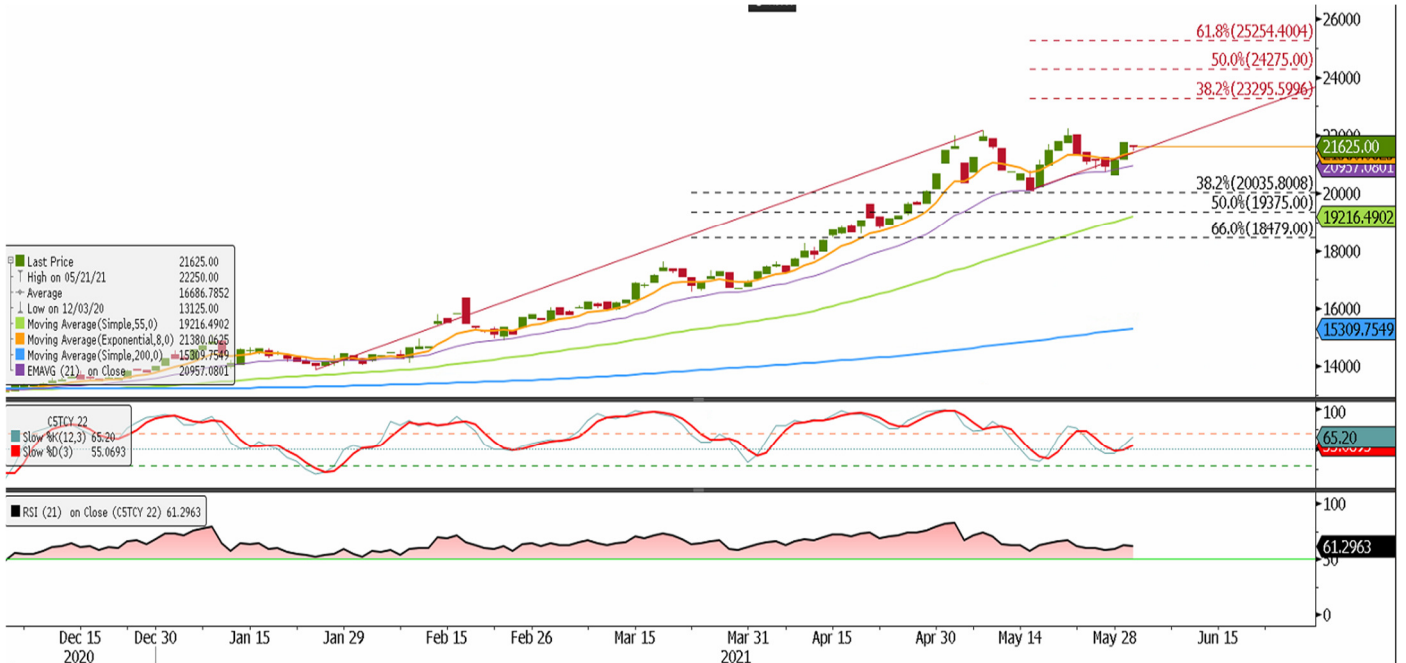
- Price is below the 8-21 period EMA
- RSI is above 50 (52)
- Stochastic is below 50
- Having made a higher high the futures have entered a corrective phase on the back of a negative divergence. Price is below the 8—21 period EMA’s but the RSI remains above 50
- Price has now entered the Fibonacci support zone, corrective moves lower that hold at or above USD 27,975 would support a bull argument, below this level the pullback is considered as deep and the technical phase neutral
- Upside moves that close above the USD 35,500 level would indicate that momentum is improving based on price; however failure to trade above the USD 36,412 level would leave the technical vulnerable to further tests to the downside. Above this level would support a buyer’s argument and suggest the USD 38,750 resistance could be tested
- The longer-term trend remains bullish with the futures in a corrective phase. The RSI is above 50 with the stochastic at 37, if the RSI holds above 50 with the stochastic moving below 30, then momentum would be vulnerable to a test to the upside. Downside moves below USD 30,850 level would be create a lower low in the market leaving market sellers to target the USD 27,975 support

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Capesize Cal 22



	Support	Resistance	Current Price	Bull	Bear
S1	20,650	R1	21,625	RSI above 50	
S2	20,125	R2			
S3	20,035	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is above 50
- The downside move in the futures held the USD 20,035 support keeping the longer-term trend in bull territory. Price is above the 8 - 21 period EMA's with the RSI above 50
- The futures have pulled back on a negative divergence, upside moves that trade above the USD 22,250 level would create a secondary divergence. Not a sell signal it does warn of the potential for a momentum slowdown
- Corrective moves below the USD 20,650 level would target the USD 20,125 fractal support. Below this level the pull-back would create a lower low in the market
- Key support is at USD 18,479, corrective moves that hold above this level would support a bull argument, below this level the pullback would be considered as deep and the technical phase neutral
- The trend is bullish but the EMA's are now starting to flatten with the potential for a negative divergence above the USD 22,250 high, suggesting upside moves could be limited in the near-term