

# FIS Capesize Technical Report

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## Index

The index has held at the 200 period MA with the RSI holding support, momentum is improving based on the move above USD 20,672 level. Upside moves that fail at or below USD 28,411 remain vulnerable to further tests to the downside, above USD 23,825 the index will have created a higher high. Neutral based on the deep pullback but bullish as fractal support at USD 18,327 has held.

## July 21

The deep pullback took the trend into a neutral phase below USD 28,210. However, the futures failed to close below support, resulting in an upside move that broke fractal resistance, taking the technical back into bull territory based on price. USD 39,502 is the key resistance, as the technical remains vulnerable below this level, above it the resistance is thin up to the USD 45,750 high, suggesting resistance could be tested. Support starts at USD 35,000 with key support at the fractal low of USD 27,375.

## Q3 21

The Q3 futures have a bearish pin-bar into a bullish gap, from a technical perspective selling on the back of this pin-bar would be considered as dangerous. My Elliott wave analysis is on the rolling front quarter and is showing that there are 4 separate cycles in play with a potential upside target at USD 45,648 for this phase (the cycle in orange). This would also suggest that downside moves should be considered as countertrend. Key support is at USD 34,117.

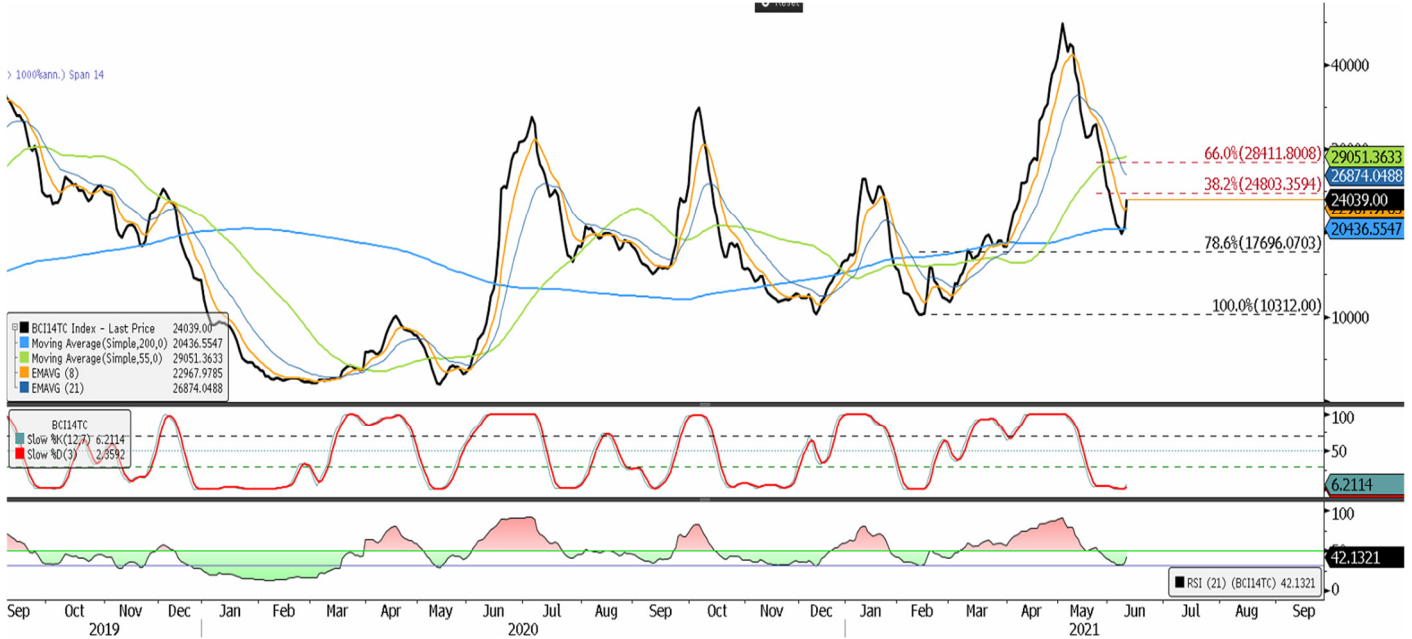
## Cal 22

Technically bullish price is now in the Fibonacci resistance zone with the RSI in divergence, not a sell signal it does warn that we have the potential for a momentum slowdown soon. Downside moves that hold at or above the USD 21,956 level would support a bull argument, below this level the pullback is considered as deep and the technical phase neutral. Key dates to watch for are the 14th—15th next week as price has the potential to open on the wrong side of the trend support.

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## Capesize Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	24,039	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- The index has held the 200 period MA whilst the RSI has held support. Price is between the 8-21 period EMA's with the RSI below 50; however, momentum is improving based on a move above the USD 20,672 level
- Upside moves that fail at or below the USD 28,411 level remains vulnerable to further tests to the downside. Above USD 23,825 the index will have broken fractal resistance meaning it will have created a higher high
- If the RSI goes above the 50 line this will further support a bull argument
- Downside moves the close below the USD 20,672 level would indicate that momentum is weakening based on price, warning that support levels could be tested
- Technically neutral based on the deep pullback the fractal footprint remains in bull territory above USD 18,327

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## Capesize July 21 (1 Month forward)



Support	Resistance	Current Price	Bull	Bear
S1	R1	37,250	RSI above 50	
S2	R2			
S3	R3			

Source Bloomberg

### Synopsis - Intraday

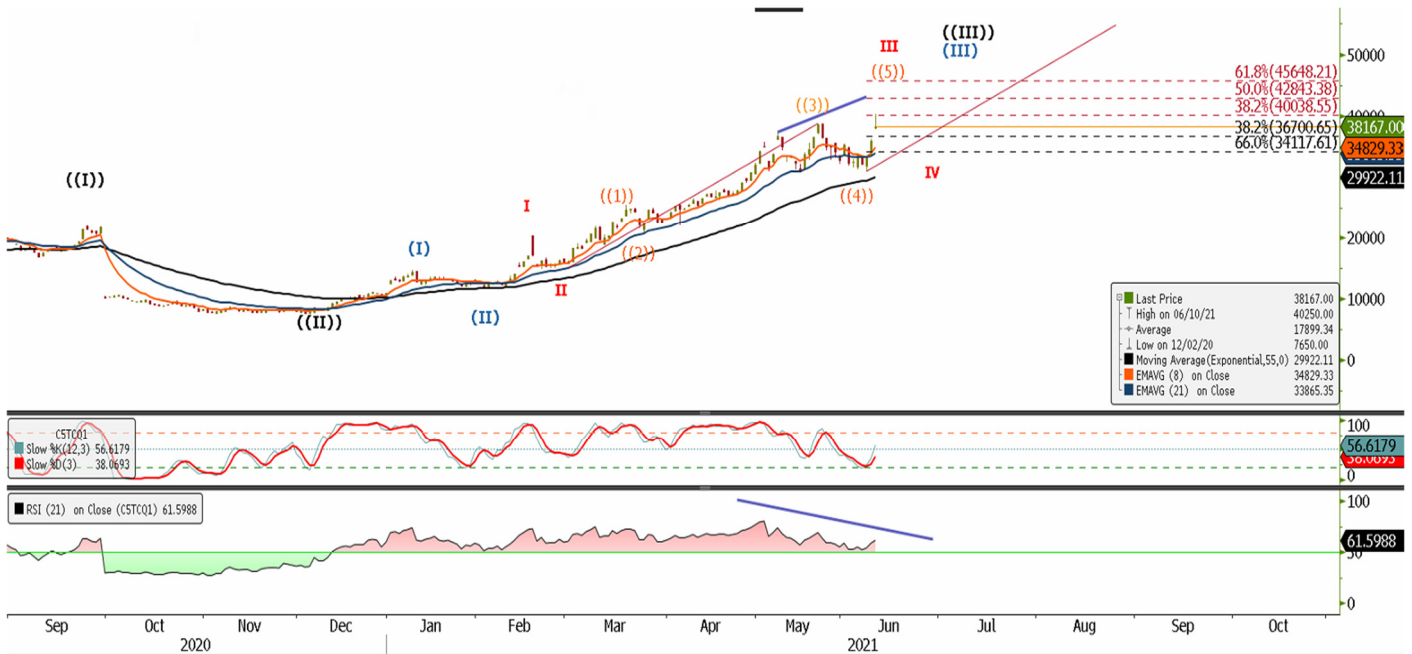
- RSI is above 50 (55)
- Stochastic below 50
- Price is above the 8 –21 period EMA's
- The futures traded below the USD 28,210 level meaning the pullback is considered as deep, however price closed back above the support and has now made a higher high in the market, indicating that momentum based on price is considered as bullish
- Key resistance is at USD 39,502, upside moves that fail at or below this level remain vulnerable to further tests to the downside. however, above this level will further support a bull argument
- Near-term support is at the base of todays breakaway gap at USD 34,500, it is worth noting that on the market profile chart for the last 30 days we have a support zone between USD 35,000 - USD 31,500
- Downside moves below the USD 27,375 fractal support warn the USD 24,862—USD 19,175 support levels could be tested
- Technically bullish based on the new high

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## Capesize Q3 21 9 (rolling front quarter)



	Support	Resistance	Current Price	Bull	Bear
S1	36,700	R1	40,038	RSI above 50	
S2	35,604	R2	42,843		
S3	34,117	R3	45,648		

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (62)
- Stochastic is below 50
- The trend is technically bullish, the big question is are we about to enter a corrective phase? Price is showing a bearish rejection candle (pin-bar, shooting star) with the futures in divergence which would suggest yes. However, the rejection candle is into a bullish break-away gap meaning we have a support zone between USD 33,400—USD 37,825, making it a very dangerous technical sell.
- Upside moves that trade above the USD 40,250 level would be considered as bullish (Larry Williams) and suggest resistance levels could be tested. Downside moves that hold at or above USD 34,117 would keep the technical in bull territory, below this level the pullback is considered as deep and the technical phase neutral
- The chart is the rolling front quarter, from an Elliott perspective we remain in an extended wave 3 meaning corrective moves lower should still be considered as countertrend (using the Bill Williams method). This also means we have a potential upside target for this phase as high as USD 45,648

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## Capesize Cal 22



	Support	Resistance	Current Price	Bull	Bear
S1	23,024	R1	24,275	RSI above 50	Stochastic overbought
S2	22,571	R2	25,254		
S3	21,956	R3	26,648		

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (70)
- Stochastic is overbought
- The future remain in a bullish trending environment with price above all key moving averages, supported by the RSI over 50
- The RSI is above 50 with the stochastic in overbought territory. The RSI is showing a negative divergence warning of a potential momentum slowdown with price in the Fibonacci resistance zone
- Downside moves that hold at or above the USD 21,956 level would support a bull argument, below this level the pull-back is considered as deep and the technical phase neutral
- A bit of an unusual one but due to the nature of the move that started on the 17/05/21 we are using a curved trend-line as there are 3 separate trends in play. Based on this there is the potential for the market to open on the 14/06/21 on the wrong side of the trend. It does not mean that the market will enter a corrective phase on this date, but it is something to be aware of.