

# FIS Capesize Technical Report

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## Index

Having held above the USD 24,973 level the index remains in bullish territory. An oversold stochastic with the RSI above 50 would indicate that momentum is vulnerable to a test to the upside. Corrective moves below USD 29,641 would mean momentum is weakening based on price, suggesting the USD 27,309 fractal support and USD 24,973 levels could be tested. The technical is bullish having previously traded above the USD 32,825 resistance, upside moves above the USD 34,930 level will target the USD 36,326 and potentially the USD 44,817 high.

## Aug 21

The rolling front month contract has entered a neutral phase with flat EMA's, a deep pullback and neutral momentum indicators. From an Elliott wave perspective, the longer-term cycle remains bullish suggesting downside moves should be considered as countertrend. The deep pullback below USD 33,240 does ask the question of whether we are in the early stages of a wave 5 or still in a corrective wave 4? USD 22,320 is the key support on the longer-term trend, if fractal support at USD 31,250 is broke then we could target USD 27,375 or lower. We reiterate that our wave analysis remains bullish at this point as we have not traded above the USD 45,750 wave 3 high.

## Q4 21

The trend remains technically bullish but has now entered a corrective phase with the futures breaking the USD 33,000 fractal support. Elliott wave analysis would suggest this is a countertrend wave 4 of this phase with key support at USD 29,622, below this level the pullback is considered as deep into the current wave 3, meaning the technical is considered as neutral. Corrective moves that trade below the USD 27,250 would bring the Elliott wave count into question. Upside moves above the USD 35,125 level would indicate that momentum is improving based on price and warn we could test the USD 36,750 high.

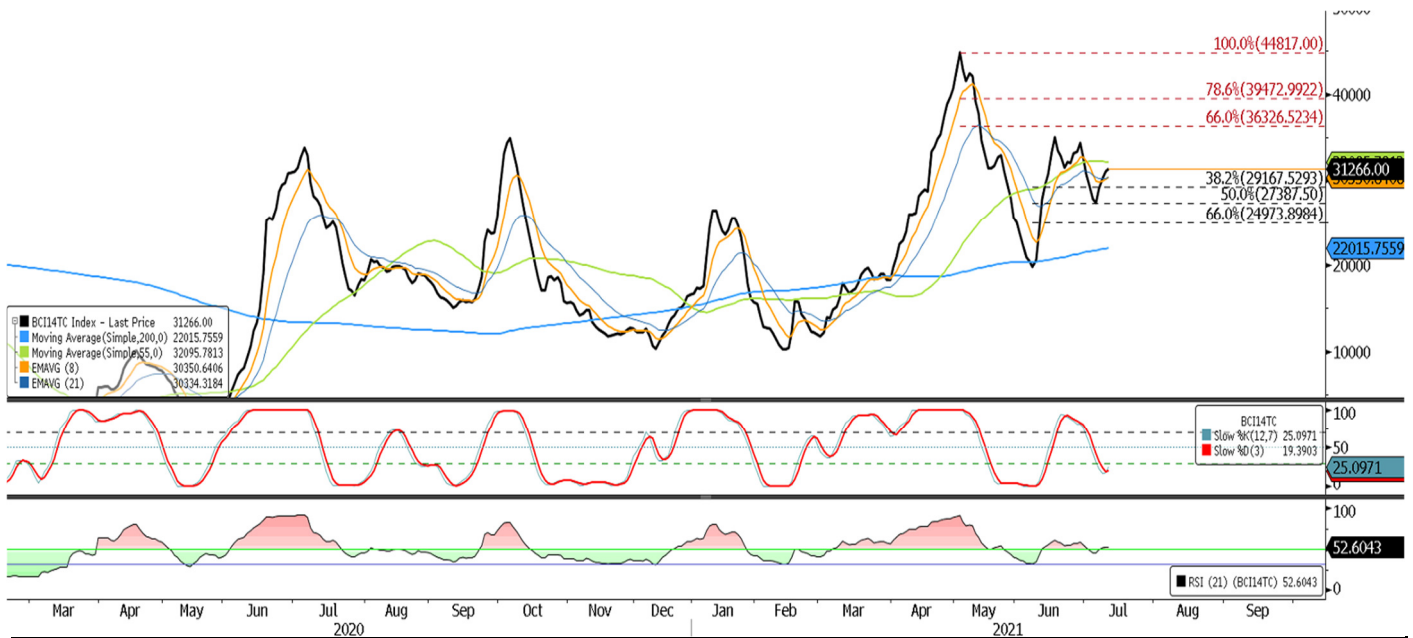
## Cal 22

Like the rest of the cape complex the futures have entered a corrective wave 4. Downside moves that trade below the USD 22,299 support would take the near-term technical into a neutral phase. Ultimately, the longer-term technical remains bullish above the USD 19,550. Upside moves above the USD 25,275 would break fractal resistance, suggesting we will trade above the USD 25,500 high.

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## Capesize Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	31,266	RSI above 50	
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is at 50 (52.5)
- Stochastic is oversold
- The corrective move in the index has held the USD 27,387 support. Price is now above the 8-21 period EMA but below the 55 period MA
- Downside moves that hold at or above the USD 24,937 level will support a bull argument, below this level the pullback is considered as deep and the technical phase neutral. This would also warn the 200-period MA (USD 22,015) and the USD 19,857 support levels could be tested
- The RSI is above 50 with the stochastic in oversold territory, momentum is warning the technical is vulnerable to a test to the upside
- Downside moves that close below the USD 29,641 level would warn that momentum is weakening based on price
- Upside moves above the USD 34,930 level would indicate the USD 36,326 and potentially the USD 44,817 resistance levels could be tested

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## Capesize Aug 21 (1 Month forward)



Support	Resistance	Current Price	Bull	Bear
S1	31,066	R1	38,125	
S2	28,000	R2	41,250	
S3	22,320	R3	44,625	
		35,875	RSI above 50	

Source Bloomberg

### Synopsis - Intraday

- Price is on the short and medium term averages
- RSI at 50 (50)
- Stochastic is at 50
- Flat moving averages with the RSI and stochastic both at 50 would indicate a neutral market and lack of trend. The corrective move below USD 33,240 would also indicate that the technical is in a neutral phase
- Downside moves below the USD 31,250 level would warn the USD 27,375 fractal support could be tested
- Upside moves above USD 38,125 would indicate momentum is improving based on price, suggesting the USD 41,250 and USD 44,625 resistance levels could be tested
- The Elliott wave cycle failed to trade above the USD 45,750 level meaning we have not seen phase completion. Corrective moves below the USD 31,250 level would suggest we remain vulnerable to further tests to the downside and potentially still in a corrective wave-4, rather than a bullish wave 5. USD 22,320 is the key support to follow, if we remain above this level the longer-term cycle is considered to be bullish, below this level it is considered as neutral
- based on the longer-term cycle, downside moves on the rolling front month contract would be considered as countertrend, at this point the technical is in a neutral phase

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## Capesize Q4 21 (rolling front quarter)



	Support	Resistance	Current Price	Bull	Bear
S1	31,350	R1	35,125	RSI above 50	
S2	29,622	R2	36,750		
S3	28,261	R3	38,411		

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is above 50 (55)
- Stochastic is below 50
- As highlighted previously the futures have entered a corrective phase in what looks like an Elliott wave 4 of this stage. The futures have traded below the USD 33,000 fractal support confirming the longer-term technical is currently corrective
- Downside moves below the USD 32,000 would further support a corrective argument, however price action that holds at or above the USD 29,622 level will support a bull argument, below this level the Elliott wave sequence is considered as neutral. Downside moves below the USD 27,250 level would break a key fractal support and bring into question the extended wave 3, and potentially the longer-term bull cycle
- Upside moves above the USD 35,125 level would warn that momentum is improving based on price and warn that the USD 36,750 high could be tested
- Technically bullish but looking like we are in a corrective wave 4 of this phase, suggesting downside move could be countertrend at this point.

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## Capesize Cal 22



	Support	Resistance	Current Price	Bull	Bear
S1	23,647	R1	25,254	RSI above 50	
S2	23,075	R2	26,648		
S3	22,299	R3	28,425		

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is oversold
- previously lower high warned we could be in the early stages of a corrective phase which has proven to be the case, the futures trade a further USD 1,200 lower. The technical remains in a corrective phase at this point.
- Downside moves that hold at or above the USD 22,299 level will support a bull argument, below this level the pullback is considered as deep and the technical phase neutral, warning we could be entering into a longer-term wave 4. Ultimately the technical remains in bull territory above the USD 19,550 on the higher timeframe wave count
- Technically the longer-term trend remains bullish but in a corrective phase . Upside move above the USD 25,275 resistance would suggest the USD 25,500 high will be broken