

# FIS Capesize Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Index

Last week we noted that momentum was weakening based on price with the RSI moving below 75. The downside move in the RSI below the 75-level signaled that we had a fairly high probability of testing the 55-period MA (currently 36,826), resulting in the index moving USD 9,000 lower. Price remains corrective but in bullish territory above USD 35,524, below this level the index is considered as neutral. A close above USD 42,124 would warn downside momentum was slowing whilst a close above 45,305 would indicate momentum was improving based on price. Likewise, downside moves below USD 38,942 would warn the USD 35,524 support could be tested.

## Oct 21

A bullish Harami pattern yesterday is seeing upside price action today with price now testing the 55-period MA at USD 39,225 (high USD 39,000). Upside moves that close above the USD 38,333 level would warn USD 41,421 could be tested, above this level would signal that momentum is improving based on price. Likewise, below USD 37,454 would warn the USD 36,513 and potentially the USD 33,250 fractal support could be tested, below this level the technical would be considered as bearish. Technically bullish/neutral based on the deep pullback the futures are showing signs of bull support, a close is now needed above USD 41,421 to signal momentum is considered as bullish.

## Q4 21

The futures traded below the USD 35,000 fractal support to enter bearish territory based on a lower low in the market. Price did gap lower, but the gap has since been closed on the recent upside move. If the futures fail at or below the USD 36,047 resistance then the technical remains vulnerable to further tests to the downside, if we traded above this level then the recent bear wave is considered as neutral. The weekly trend remains stable, if we close the week above the USD 35,722 level then we have the potential for higher pricing next week.

## Cal 22

The technical remains bullish neutral with downside moves failing to hold. Momentum is warning the technical is vulnerable to a test to the upside, a close above USD 24,146 would support this. Downside moves that trade below USD 23,350 will target the USD 22,925—USD 22,700 support zone.

# FIS Capesize Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Capesize Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	40,518		RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is at 50 (49.7)
- Stochastic is below
- on the last report we noted that momentum was weakening based on price with the RSI below 75. The weakening RSI warned the futures could test the 55 period MA (currently 36,826), resulting in a move to the downside of over USD 9,000
- Corrective moves lower that hold at or above the USD 35,524 level would support a bull argument, below this level the pullback is considered as deep and the technical phase neutral
- Upside moves the close above the USD 42,124 level would indicate that downside momentum is slowing warning we have the potential to close above USD 45,305 which would indicate that momentum is improving based on price
- Corrective moves higher that fail at or below USD 47,747 would leave the technical vulnerable to further tests to the downside, above this level the index will target the USD 51,472 high
- Technical corrective, neutral below USD 35,524

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at [www.freightinvestorservices.com](http://www.freightinvestorservices.com)

# FIS Capesize Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Capesize Oct 21 (1 Month forward)



Support	Resistance	Current Price	Bull	Bear
S1	R1	38,625	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

### Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- The futures traded below the USD 38,435 to take the technical into a neutral phase with price trading to a low of USD 36,000. Price is holding the USD 36,513 support with the stochastic oversold; however, the futures remain below short and medium-term averages with the RSI below 50
- A bullish Harami pattern yesterday has resulted in price moving higher today, a close above USD 38,333 would warn the USD 41,421 level could be tested. Above this level would suggest that buy-side momentum is gaining in strength
- Downside moves below USD 37,454 would indicate sell-side momentum is increasing, indicating the USD 36,613 and potentially the USD 33,250 support levels could be tested
- Upside moves that fail at or below the USD 44,250 level will leave the technical vulnerable to further tests to the downside.
- Technically neutral/bullish based on the deep pullback, the futures will be bearish below USD 33,250. The bullish Harami is signalling that the market is finding support with a near-term target at USD 41,421

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at [www.freightinvestorservices.com](http://www.freightinvestorservices.com)

# FIS Capesize Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Capesize Q4 21



	Support	Resistance	Current Price	Bull	Bear
S1	36,000	R1	35,187	Stochastic oversold	RSI below 50
S2	33,250	R2	36,047		
S3	31,050	R3	36,724		

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is at 50 (50)
- Stochastic is above 50
- The downside move in the futures traded below the USD 35,000 level creating a lower low in the market, from a technical perspective the trend is considered as bearish. The futures traded to a low of USD 32,500 before producing a bullish rejection candle with price subsequently closing the bearish downside gap that formed.
- Price is now at 50% Fibonacci resistance level (USD 35,187) with the RSI at 50 and the stochastic oversold, momentum is warning the technical is vulnerable to a test to the upside
- A close above the USD 35,551 level would indicate that momentum is improving based on price, however upside moves that fail at or below the USD 36,724 level will leave it vulnerable to further tests to the downside. Above this level the bear wave is neutralised with the futures targeting the USD 37,875 fractal resistance
- The trend is under pressure making USD 36,724 a key level for market bulls, momentum is leaning to the buyside whilst the weekly trend remains stable implying that corrective moves lower will find buying support

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at [www.freightinvestorservices.com](http://www.freightinvestorservices.com)

# FIS Capesize Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

## Capesize Cal 22



Support		Resistance		Current Price	Bull	Bear
S1	23,350	R1	25,150	23,925	RSI above 50	
S2	22,925	R2	25,254			
S3	22,700	R3	25,500			

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is at 50 (50)
- Stochastic is oversold
- Technically neutral on the last report with momentum warning we had the potential for a test to the downside. The futures sold off USD 700 lower before finding support. Price is trading higher with the futures between its moving averages which are now flat, indicating a lack of trend
- The RSI at 50 is neutral with the stochastic in oversold territory, momentum is warning the technical is vulnerable to a test to the upside
- Upside moves above the USD 25,500 level will create a negative divergence with the RSI, not a sell signal it does warn of the potential for a momentum slowdown
- A close above USD 24,146 would indicate that momentum is improving based on price
- Downside moves below the USD 23,350 support will target the USD 22,925—USD 22700 support zone