

FIS Capesize Technical Report

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

Index

The index is considered as bearish having traded below the USD 40,518 fractal support. Price is moving higher on the back of a positive divergence with the index breaking a minor fractal resistance. USD 35,258 is a key level (200-period MA), upside moves that trade above and hold above this level will support a buyer's argument. A close below USD 27,701 would imply that momentum is weakening based on price, warning the USD 25,406 low could be tested.

Dec 21

The upside move in the futures has resulted in a trend break and a higher high in the market indicating we are potentially entering bull territory. The caveat is that the RSI is below 50 with the stochastic nearing overbought territory, momentum is warning the futures are vulnerable to a test to the downside. Key upside resistance is at the 200-period MA (USD 34,468), upside moves that trade above and hold above this level will support a bull argument. Likewise, downside moves that hold above the USD 23,917 level will support a bull argument.

Q1 22

The upside move in the futures has created a higher high meaning the technical is considered as bullish based on price. The futures are finding resistance at the 55-period EMA, whilst the 8-21 period EMA's have not crossed to the upside. Bullish but not in trend at this point with the RSI still below 50, warning we need to see more from market buyers to convince the trend has changed. Downside moves that hold at or above the USD 15,151 level would support a bull argument and suggest upside resistance levels could be tested.

Cal 22

The upside move in the futures has broken trend resistance and created a higher high, indicating the technical is considered as bullish. However, the averages are flat implying a lack of trend whilst the RSI is below 50. Downside moves that hold above USD 19,657 will support a bull argument; likewise, upside moves that place the RSI above 50 would also support a bull argument. Below USD 19,657 the futures will target the USD 18,000 fractal support.

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Capesize Index



	Support	Resistance	Current Price	Bull	Bear
S1	27,701	R1	38,194		RSI below 50
S2	25,406	R2	40,946		
S3	21,682	R3	43,698		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (38)
- Stochastic is below 50
- The downside move in the index below USD 40,518 created a lower low in the market taking the technical into bearish territory. The index is below the 200-period MA but between the 8-21 period EMA's with the RSI below 50. The move below USD 40,518 brings into question the longer-term wave cycle, warning that we have potentially seen cycle failure
- Upside moves that close above and hold above the 200-period MA (USD 35,258) will support a near-term bull argument. Failure to hold above this level would warn of the potential for further technical weakness
- Downside moves that close below USD 27,701 would indicate that momentum is weakening based on price and warn the USD 25,406 low could be tested
- The longer-term technical is bearish, the near-term technical has made a higher high, however we remain below the 200-period average with weekly resistance levels between USD 38,194—USD 43,698, price needs to close above and hold above the USD 35,258 average if we are going to build a base at these levels.

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Capesize Dec 21 (1 Month forward)



Support		Resistance		Current Price	Bull	Bear
S1	25,091	R1	38,066	30,500	RSI above 50	
S2	21,184	R2	40,880			
S3	19,625	R3	43,694			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is above 50
- The futures have broken a fractal resistance indicating the near-term technical has made a higher high, this is supported by a break in trend resistance, indicating we are potentially transitioning to the buyside
- Countering the price move are the momentum indicators, the RSI is below 50 with the stochastic nearing overbought territory. Momentum is warning we are vulnerable to a test to the downside
- Upside moves above the 200-period MA (USD 34,473) would further support a bull argument. However, upside moves that fail at the average have the potential to attract technical sellers to the market
- Corrective moves lower that close below USD 25,097 will warn that momentum is weakening based on price; however, downside moves that hold at or above USD 23,917 will support a bull argument, below this level the pullback is considered as deep, warning the USD 19,625 low could be tested.
- The trend is potentially transitioning to the buyside, price now needs to go above and hold above the 200-period average.

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Capesize Q1 21



Support	Resistance	Current Price	Bull	Bear
S1	R1	18,500		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is below 50 (48)
- Stochastic is at 50
- Price is above the 8-21 period EMA's with the RSI below 50, the futures have made a higher high
- Technically bullish based on the higher high the futures are finding resistance at the 55 period EMA (USD 19,671)
- Corrective moves lower that hold at or above USD 15,151 will support a bull argument, below this level the futures are considered as bullish neutral
- Price is rejecting a key average with the RSI just below 50 indicating momentum remains vulnerable, if price closes above the 55-period average with the RSI above 50 it will support a bull argument
- Price is considered as bullish based on a higher high, but the futures are below the 55-period average with the 8-period EMA below the 21-period, indicating we are not in a trending environment at this point. Downside moves that hold at or above the USD 15,151 level will support a bull argument, suggesting upside resistance levels could be tested

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Capesize Cal 22



Support		Resistance		Current Price	Bull	Bear
S1	21,012	R1	22,700	22,400		RSI below 50
S2	20,437	R2	23,361			
S3	19,657	R3	23,635			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (47)
- Stochastic is at 50
- The upside move in the futures has created a higher high meaning the technical is considered as bullish based on price. The futures are above the 200-period average and the 8-21 period EMAs but remain below the 55-period SMA.
- The RSI is bearish below 50 with the stochastic at 50 and considered as neutral. A close on the 4 hour candle below USD 22,347 would warn that the intraday technical is starting to weaken.
- Corrective moves lower that hold at or above 19,657 level will support a bull argument, below this level the pullback is considered as deep, meaning the technical is considered as neutral bullish. Downside moves below this level will target the USD 18,000 fractal support
- Technically bullish based on price having made a higher high and a trend break the averages all remain flat indicating the futures are not in a trending environment

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