

FIS Capesize Intraday

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

Capesize Nov 23 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|-----------------------|
| S1 | R1 | 20,825 | RSI above 50 | Stochastic overbought |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is between 8—21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is below the daily pivot USD 20,825
- Technically bullish supported by the RSI above 50 yesterday. We noted that a move above USD 20,425 would create a marginal negative divergence with the RSI on the 1-hour technical, warning we had the potential to see a momentum slowdown. Likewise, a move above USD 20,950 would create a larger divergence with the RSI on the 4-hour technical, suggesting caution on upside breakouts, as we are starting to see exhaustion signals from a technical perspective. However, we remained conscious of the carry, as the index was still USD 7,948 above the November contract, whilst the index remained supported the divergences could be ignored in the near-term. A cautious bull due to the divergence in play and the one ahead if we moved higher, focus in the near-term would be on the index. The futures traded to a high of USD 21,750 before entering a corrective phase on the open. Price is between the 8-21 period EMA's with the RSI above 50. Intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 20,825 with the RSI at or below 57.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buy side. Downside moves that hold at or above USD 19,819 will support a bull argument, below this level the futures will target the USD 18,825 fractal low.
- Technically bullish, the futures are moving lower on the back of a negative divergence, but we remain above the USD 19,819 support. If broken, then the probability of the futures trading to a new high will start to decrease. The MA on the RSI does imply that momentum is supported at this point, whilst intraday Elliott wave analysis continues to suggest that we have a potential upside target at USD 23,045.

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 freightinvestorservices.com