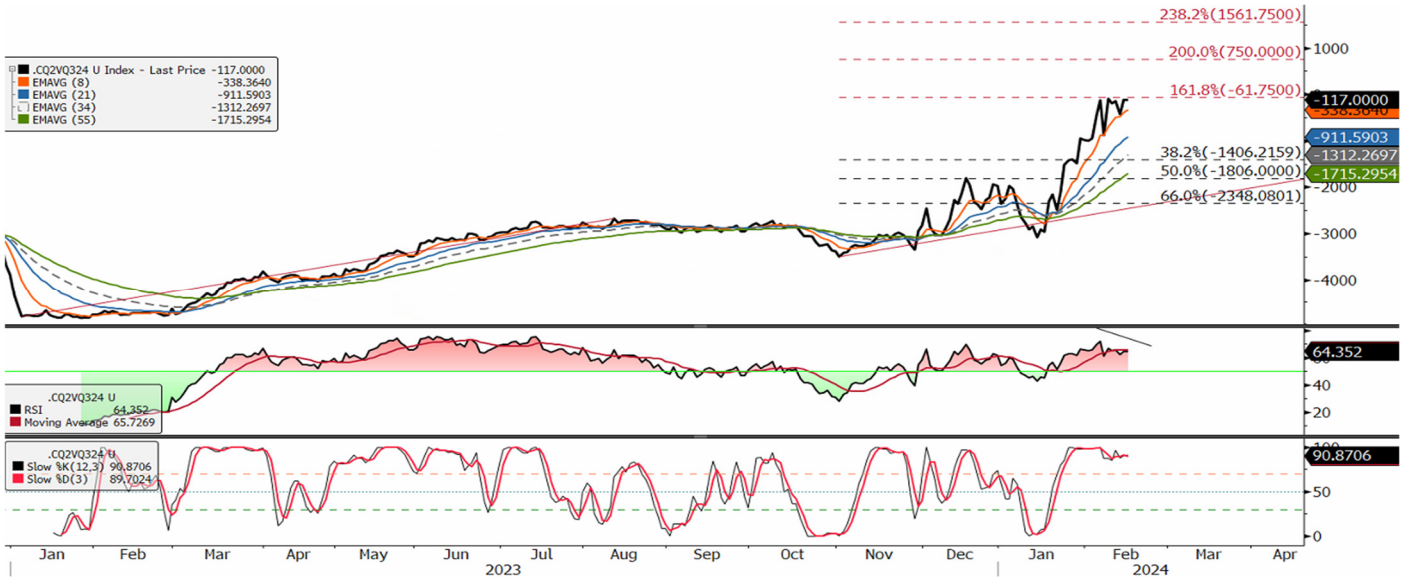


FIS Capesize Q2 v Q3

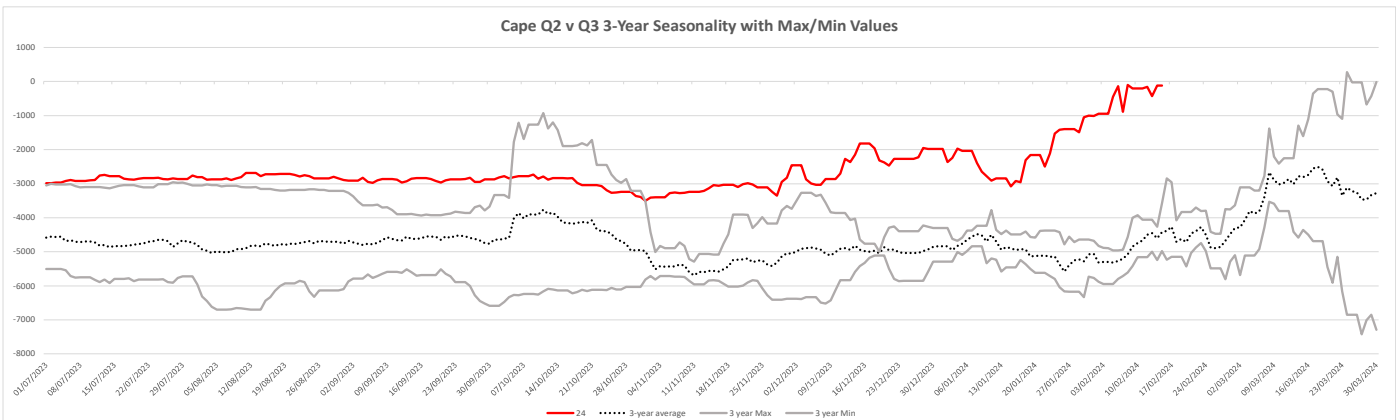
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Capesize Q2 v Q3 Spread



	Support	Resistance	Current Price	Bull	Bear
S1	-1,406	R1	-61	RSI above 50	Stochastic overbought
S2	-1,806	R2	750		
S3	-2,348	R3	1,561		

- Price is above the 8-21 period EMA's
- RSI is above 50 (64)
- Stochastic is overbought
- Technically bullish, the levels illustrated are based on last nights close. The futures are above all key moving averages and the weekly pivot level (USD -206) supported by the RSI above 50.
- Downside moves that hold at or above USD -2,248 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the spread is in divergence with price over USD 4,000 above 3-year average values and USD 3,250 above the maximum value for this time of year. Both the Q2 and Q3 technicals are also in divergence. The Q2 futures are USD 6,454 above their 3-year average value and USD 800 below the max value for this time of year (based on figures from yesterdays report). The Q3 futures are around USD 1,000 above the 3-year average valuations and USD 5,500 below 3—year max values. The divergence on the spread whilst the Q2 is testing its max values is highlighting the over extension of the spread at this point, due to the q2 move, warning we are vulnerable to a technical pullback. However, as noted on the next chart, the Elliott wave cycles remain bullish (but in divergence), meaning there will potentially be further upside once we have seen a corrective move lower. Implying we are out of balance at these levels at this point.



Capesize Q3



Support	Resistance	Current Price	Bull	Bear
S1	R1	24,625	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- The futures are in a bullish trending environment with price above all key moving averages supported by the RSI above 50. We are also above the weekly pivot level (USD 23,625).
- Downside moves that hold at or above USD 21,318 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we are above all key moving averages with the MA on the RSI indicating we have momentum support. However, the daily and intraday RSI's are in divergence with price, not a sell signal, it is a warning that we have the potential to see a momentum slowdown, which will need to be monitored, as it warns we could see a corrective pullback. Both lower and higher timeframe Elliott wave cycles would suggest that downside moves should be considered as countertrend, making USD 21,318 the key support to follow. Pullbacks that hold this level, will warn that there is further upside within this phase of the cycle (lower timeframe wave cycle support this). If broken it will warn that we have entered a higher timeframe correction, meaning key support to follow will be at USD 19,206. This is key longer-term support, a move below this level will bring into question the longer-term bullish Wave cycle. A cautious bull at these levels as the divergences are warning we vulnerable to a technical pullback.

Source Bloomberg

