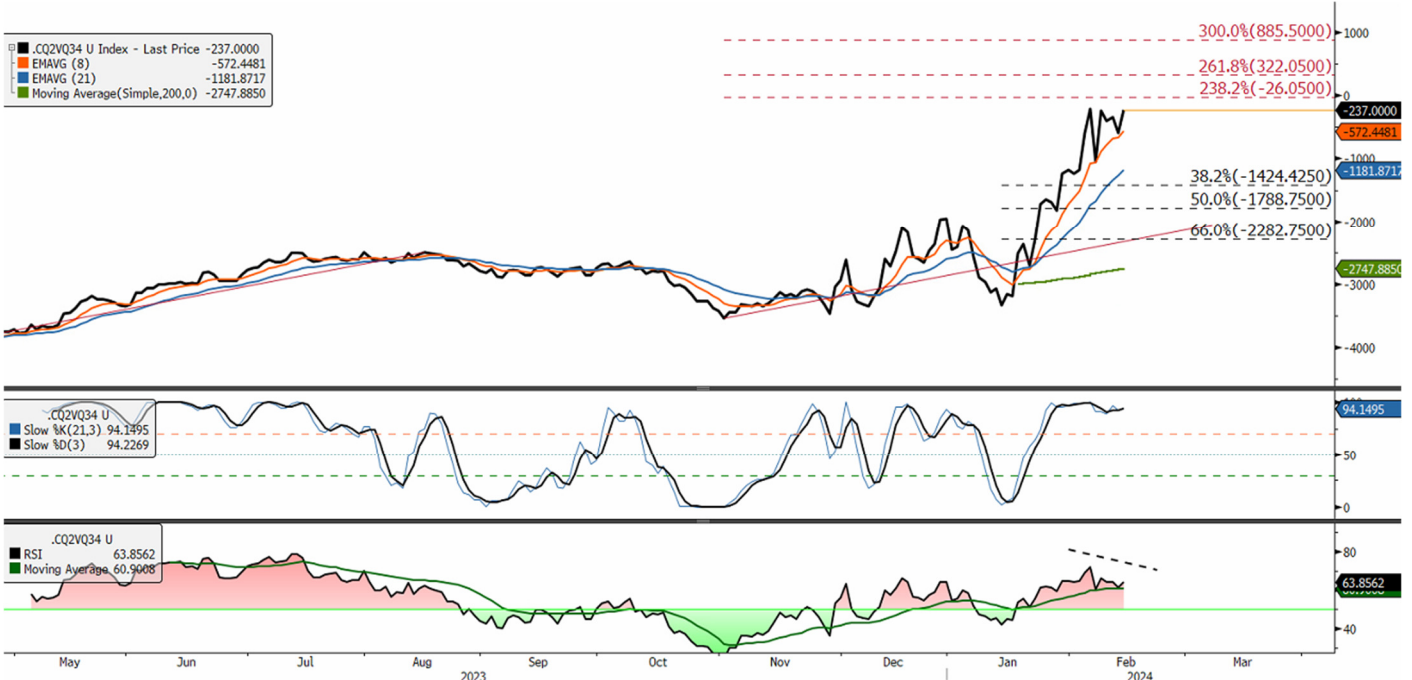


FIS Capesize Q2 v Q34

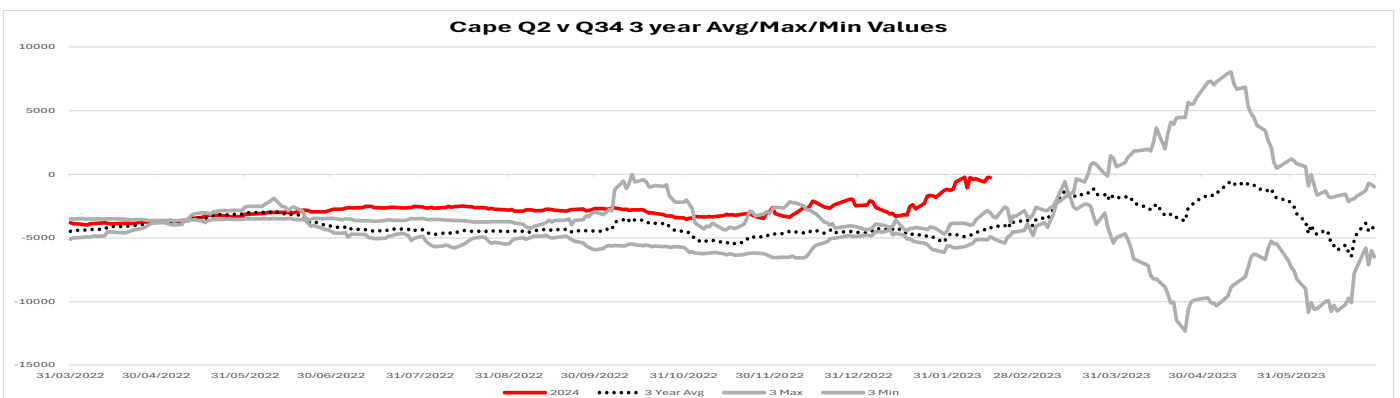
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Capesize Q2 v Q34 Spread



Support	Resistance	Current Price	Bull	Bear
S1	R1	-237	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

- Price is above the 8-21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Technically bullish, the levels illustrated are based on last night's close. The spread is the focus today on this report. The futures are above all key moving averages and the weekly pivot level (USD -413) supported by the RSI above 50.
- Downside moves that hold at or above USD -2,282 will support a bull argument, below this level the technical will have a neutral bias.
- The spread is in divergence with price nearly USD 4,000 above 3-year average values and USD 2,800 the maximum value for this time of year. Both the Q2 and Q3+4 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. The Q34 futures are around USD 2,000 above the 3-year average valuations and USD 6,000 below max values. This does support the Q2 being overextended, warning that the spread is starting to look vulnerable to a technical pullback.



Capesize Q2

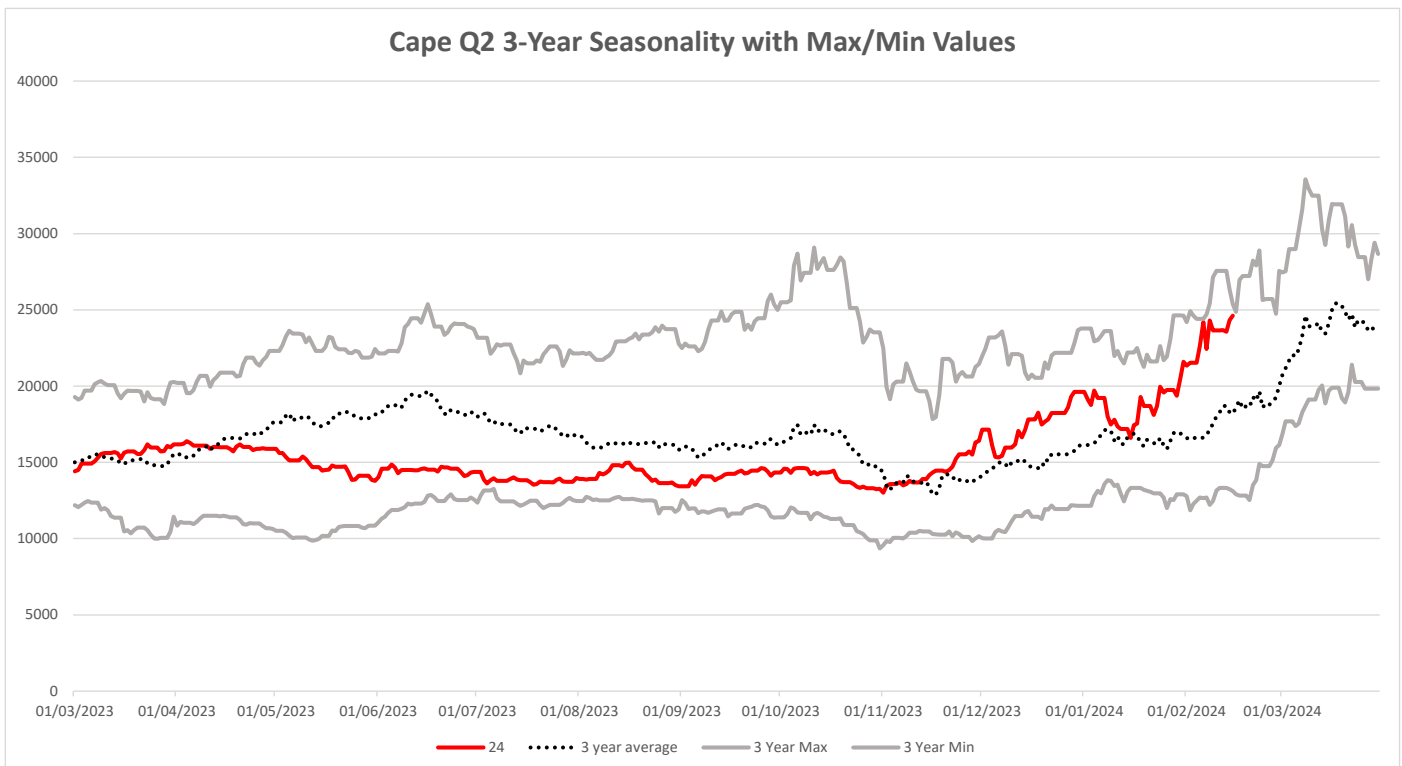


	Support	Resistance	Current Price	Bull	Bear
S1	21,444	R1	25,409	RSI above 50	Stochastic overbought
S2	20,462	R2	26,362		
S3	19,130	R3	27,315		

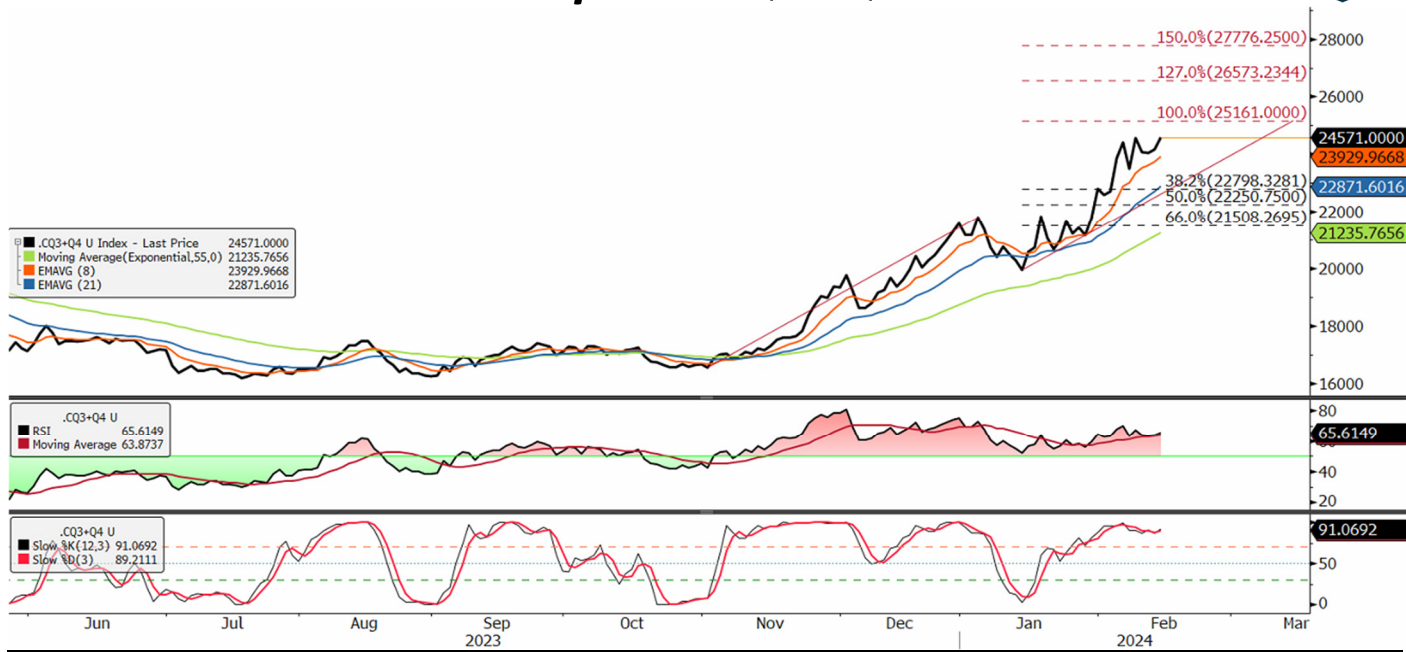
Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (66)
- Stochastic overbought
- We had a look at this technical earlier in the week, so will keep our observations brief. The futures continue to move higher with price above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 19,130 will support a bull argument, below this level the technical will have a neutral bias.
- We remain bullish, as noted on Monday, the futures are in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown which will need to be monitored. We maintain our view that from a higher timeframe Elliott wave perspective, downside moves continue to look like they could be countertrend. Based on the intraday Elliott wave cycle we have a potential near-term upside target at USD 27,318; however; we maintain a cautious view due to the divergences that are in play.



Capesize Q3+Q4



	Support	Resistance	Current Price	Bull	Bear
S1	22,798	R1	24,571	RSI above 50	Stochastic overbought
S2	22,250	R2			
S3	21,508	R3			

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- The technical is based on last nights closing values. 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 24,071).
- Downside moves that hold at or above USD 21,508 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures remain in divergence with price continuing to make new highs. The divergence is not a sell signal, but it does warn that we have the potential to see a momentum slowdown and will need to be monitored. A move below that closes below USD 24,029 will imply that momentum based on price is starting to weaken, warning support levels could come under pressure. Key support is at USD 21,508, corrective moves lower that hold above this level will warn that there is potentially a larger bullish wave cycle in play. If broken, then the probability of the futures trading to a new high will start to decrease. Due to the divergences in play, we are cautious on upside moves at this point, as we are looking vulnerable to a momentum slowdown.

Source Bloomberg

Cape Q34 3 year Avg/Max/Min Values

