

FIS Capesize Intraday

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

Capesize Mar 24 Morning Technical Comment – 240 Min



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|-----------------------|
| S1 | R1 | 19,575 | RSI above 50 | Stochastic overbought |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is above 8—21 period EMA's
- RSI is above 50 (68)
- Stochastic is overbought
- Price is below the daily pivot USD 17,958
- Technically unchanged on Friday, the mean reversion gap had closed a little due to the rising average; however, we were still 22% above it. The 200 period MA on the daily chart was at USD 16,425, this was a benchmark average, if we closed below and held below it, then support levels could come under pressure. Conversely, if we held above it, whilst the 55-period EMA continues to move higher to close the mean reversion gap, then it would warn that there was buy-side support in the market. We were still vulnerable to a move lower due to the mean reversion gap, but the longer we stayed elevated, the quicker the average would catch up. The futures found light bid support on Friday before seeing a strong move higher on the open today. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 17,958 with the RSI at or below 58.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 14,575 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the RSI is making new highs alongside price, having held above the 200-period daily MA, suggesting downside moves have the potential to be countertrend. The MA on the RSI would also suggest that momentum is supported at this point. Due to the move higher on the open, the 1-hour RSI is in divergence with price, whilst the 4-hour futures are now 32% above the 55-period EMA. This is not a sell signal, but it is a warning that we could see a momentum slowdown which will need to be monitored.

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