

# FIS Capesize Intraday

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

## Capesize April 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	32,125	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the daily pivot USD 30,491
- Technically we were bullish with the futures in divergence on both the higher and lower timeframes yesterday, our revised upside target on the close previously had already been achieved. The March April spread had narrowed by USD 700, which we noted would be a little disappointing to market bulls, as the futures were due to roll. We noted that the April was going to need to stay supported for a period of time (or move higher) to break the lower timeframe divergences. If we did, we would be looking at wave extension, meaning downside moves would in theory be countertrend. We said we would know more today, as we stood, we were in divergence. This was not a sell signal, but it needed to be monitored. The futures have stayed supported with the roll taking the futures into the April contract, we are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 30,491 with the RSI at or below 65.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 24,370 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we can confirm that we are seeing a wave extension on both higher and lower timeframe, meaning downside moves should in theory be countertrend, both the larger and smaller cycle have extended. If we do trade below the USD 24,370 level, it will mean the probability of the futures trading to a new high has started to decrease, within this 'phase' of the Elliott wave cycle. It will warn that we could be entering a higher timeframe Elliott wave (countertrend), in theory, it should not be bearish for the longer-term technical. Note the 1-hour RSI is divergence, which will need to be monitored. For Elliott wave enthusiasts, we look to be on a wave 3 of a higher timeframe wave 3.

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](http://freightinvestorservices.com)