

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	37,125	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 (67)
- Stochastic is oversold
- Price is above the daily pivot USD 36,000
- Technically bullish, we had held above the weekly pivot previously with price moving higher yesterday morning, meaning the USD 37,250 resistance was starting to look vulnerable. If broken, it would confirm that we are on an Elliott wave 5 of this phase of the cycle (of the higher timeframe wave 3), meaning we had the potential to trade as high as USD 46,027 (note: this is revised down to USD 41,933). However, a new high would create a negative divergence with the RSI, not a sell signal it is a warning that we could see a momentum slowdown which would need to be monitored. The futures have traded to a high of USD 37,750, we are 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 36,000 with the RSI at or above 62 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 32,965 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we have now entered a bullish Elliott wave 5 for this phase of the cycle (of a higher timeframe Elliott wave 3). We have a near-term upside target of USD 45,041 based on Fibonacci projection levels; however, the RSI is now in divergence with price, warning we could see a momentum slowdown, which will need to be monitored. If we trade below USD 32,965 it will imply that the probability of the futures trading to a new high has started to decrease, warning we could be entering the higher timeframe corrective wave 4 (countertrend).

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