

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	36,500	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 (60)
- Stochastic is overbought
- Price is above the daily pivot USD 34,833
- Technically bullish yesterday, the near-term technical had a neutral bias, the move below USD 32,965 meant that the probability of the futures trading to a new high within this phase of the cycle had started to decrease. This suggested that we could potentially be entering a higher timeframe Elliott wave 4 (still countertrend), making USD 25,210 the key support to follow. If broken, it will warn that the higher timeframe bullish Elliott wave cycle has a greater chance of failing. The futures traded to a low of USD 31,750 before finding strong bid support to close the day above USD 35,710, meaning the technical was back in bullish territory. On the lower timeframe technical, we did not get the oscillator cross, meaning we remain in the Elliott wave 3, we did not enter the corrective wave 4. Price is above all key moving averages with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 34,833 with the RSI at or above 65 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side.
- Technically bullish. The futures closed above the weekly pivot level yesterday, confirming the buy side support in the market in the near-term. Intraday Elliott wave analysis does suggest that we have a potential upside target as high as USD 41,933 for this phase of the cycle. However, above USD 37,750, the futures will create a second negative divergence with the RSI. Not a sell signal it is a warning that we could see a momentum slowdown which will need to be monitored, implying caution on upside breakouts. On the longer-term Elliott wave cycle, downside moves are still considered as 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