

# 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	29,500	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (44)
- Stochastic is oversold
- Price is above the daily pivot USD 28,500
- Technically bearish yesterday, the downside move previously meant that the bearish Head and Shoulders pattern that we highlighted last week was now in play. We had noted in the close report that if the H&S pattern played by the rules, then we had a two potential downside targets at USD 28,542 and USD 26,250. The move lower yesterday morning meant we were testing first of these two support levels. The longer-term Elliott wave cycle suggested that downside moves should be considered as countertrend; however, in the near-term, the MA on the RSI was implying that momentum was weak with the RSI making new lows. This suggested that upside resistance levels should in theory hold if tested, indicating there is possibly further downside within this corrective phase. The futures traded to a low of USD 27,500; however, price has opened with bid support this morning meaning we are USD 2,000 higher. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 28,500 with the RSI at or above 50.5 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. Downside moves that hold at or above USD 25,210 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 34,265 will leave the futures vulnerable to further tests to the downside, above this level the USD 37,750 fractal high will start to look vulnerable.
- The longer-term technical remains bullish with the futures in a corrective phase. The MA on the RSI is indicating that momentum remains weak at this point, whilst the RSI traded to a new low yesterday, warning resistance levels could hold in the near-term if tested. If we do trade below the USD 25,210 level, it will warn that we could be entering a higher timeframe corrective, meaning key support will drop to USD 20,837.

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)