

FIS Capesize Intraday

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

Capesize April 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	22,958	R1	22,950	RSI above 50	Stochastic overbought
S2	21,789	R2			
S3	20,253	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (69)
- Stochastic is overbought
- Price is on the daily pivot level USD 22,958
- Technically bullish yesterday, our Elliott wave analysis continued to suggest that we had the potential to trade as high as USD 24,524 within this phase of the cycle. However, as noted previously, the futures were still in divergence with the RSI; not a sell signal it warned that we could see a momentum slowdown, which needed to be monitored. If we did trade below the USD 19,905 support, then the probability of the futures trading to a new high within this phase of the cycle would start to decrease, implying we are entering (or in) the corrective wave 4 (on the higher timeframe). Near term price action indicated we have a potential upside target between USD 24,358 and USD 24,524.
- The futures remained supported yesterday before trading up to USD 24,000 on the open this morning. However, price has seen an increase in sell side momentum, meaning we are over USD 1,000 off the daily high. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are still aligned to the buy side, as the current candle is yet to close below the daily pivot level.
- A close on the 4-hour candle below USD 22,958 with the RSI at or below 66 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 20,253 will support a near-term bull argument, below this level the technical the lower timeframe wave cycle will have a neutral bias, warning we could be entering a higher timeframe countertrend corrective wave 4.
- Technically bullish, the futures remain in divergence with the RSI, whilst our wave analysis indicates we have a potential upside target for this phase of the cycle between USD 24,358 and USD 24,524. The upside rejection this morning is a warning that there is resistance at higher levels, meaning support levels are starting to look vulnerable. However, we reiterate that we are on an Elliott wave 5 of a higher timeframe wave 3, meaning downside moves are still considered as countertrend. The divergence alongside the upside rejection this morning are warning signs of technical weakness.

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