

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	R1	21,900	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (59)
- Stochastic is oversold
- Price is above the daily pivot level USD 21,425
- Technically bullish yesterday, the MA on the RSI implied that we had light momentum weakness. The futures had now entered a corrective phase; however, we were yet to confirm that this was a higher timeframe Elliott wave 4, meaning upside moves that trade to a new high from here would be considered as part of the lower timeframe wave cycle. Moves higher that rejected the USD 23,026 resistance would imply that there was further downside within this corrective phase; likewise, if broken it would warn that the USD 23,900 fractal high could be tested and broken. If it was, then it would signal that we have seen a lower timeframe Elliott wave extension. Due to the divergence in play, we maintained a note of caution on upside breakouts at that point.
- The futures sold to a low of USD 21,125 before finding light bid support on the open this morning. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 21,425 with the RSI at or above 65.5 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 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.
- Unchanged on the technical this morning. We remain bullish with the MA on the RSI implying we have light momentum weakness. As noted yesterday, we are yet to confirm that this was a higher timeframe Elliott wave 4, meaning upside moves that trade to a new high from here will be considered as part of the lower timeframe wave cycle, meaning downside moves should still be considered as countertrend. Upside moves that fail at or below USD 22,956 will leave the futures vulnerable to further downside moves, if broken, then the USD 24,000 fractal high could be tested and broken. As noted previously, we are cautious on upside breakouts above this level due to the divergence in play.

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