

FIS Capesize Intraday

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

Capesize June 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	20,200	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is below the daily pivot level USD 20,783
- Technically bullish on Friday, the MA on the RSI implied that momentum was supported, whilst price had closed above the daily 200-period MA; however, we were seeing intraday upside rejection at that point. We noted that if we trade above the USD 21,365 level it would warn that the USD 24,000 fractal high could be tested and broken. However, we were mindful of the weekly 200-period MA at USD 21,635, as it had the potential to act as a resistance. Our Elliott wave analysis did suggest that downside moves should be considered as countertrend at that point.
- The futures have rejected the YSD 21,365 resistance, resulting in price coming under pressure this morning. We are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 20,783 with the RSI at or above 60.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 15,650 will support a bull argument, below this level the Elliott wave cycle will have a neutral bias. However, upside moves that fail at or below USD 21,365 will warn that there could be a larger, bearish, Elliott wave correction in play.
- Technically bullish, the MA on the RSI does suggest that momentum is supported; however, the RSI is now below its average, implying buy side momentum is weakening. Our Elliott wave analysis does suggest that downside moves should be considered as countertrend; however, we are in the process of rejecting the USD 21,365 Fibonacci resistance, warning that there could potentially be a larger bearish Elliott correction in play. If we close below and hold below the daily 200-period MA (USD 19,531), it will warn that the USD 18,275 fractal support could be tested and broken. If it is, then we target the USD 17,150—USD 16,250 fractal support levels. Price action is weakening this morning, but we remain above the intraday 55-period EMA (USD 19,259) and the daily 200-period MA, meaning we are not yet ready to confirm that the USD 21,365 resistance has been fully rejected.

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