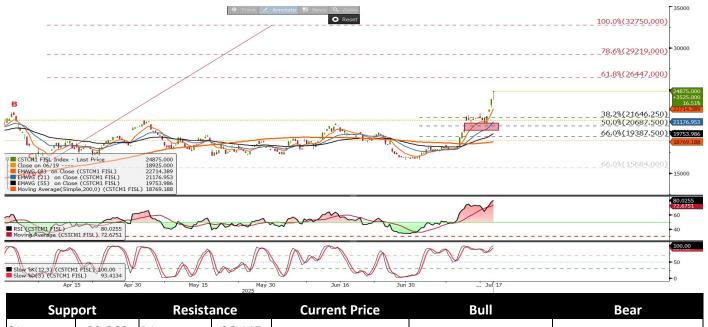
EMISSIONS | OIL | FERROUS | <mark>FREIGHT</mark> | AGRI | METALS | ENERGY | PHYSICAL FREIGHT

## FIS

## **Capesize Intraday**

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

## Capesize Aug 25 Morning Technical Comment – 240 Min



Support		Resistance		<b>Current Price</b>	Bull	Bear
S1	22,866	R1	26,447			
S2	21,646	R2	29,219	24,875	RSI above 50	Stochastic overbought
S3	20,687	R3	32,750			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (80)
- Stochastic is overbought
- Price is above the daily pivot level (USD 22,866)
- Technically bullish yesterday, we noted that the futures were holding above the bullish breakaway gap, warning we could be forming a polarity support. Upside moves above USD 22,250 had the potential to produce a negative divergence with the RSI; not a sell signal, it warned that we could see a momentum slowdown which will need to be monitored. We also noted that if we produced a bull candle on high volume it would confirm the polarity support, meaning resistance levels would become vulnerable. Suggesting the negative divergence had a greater chance of failing.
- The futures confirmed polarity support result in price trading above the USD 24,000 fractal resistance, the divergence failed. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 22,866 with the RSI at or below 70.5 will mean price and momentum are aligned to the sell side.
  Downside moves that hold at or above USD 19,387 will support a bull argument, below this level the near-term Elliott wave cycle will have a neutral bias.
- Technically bullish, the MA on the RSI implies momentum is supported. As noted in the close report yesterday, the futures have confirmed we are on the longer-term bullish Elliott wave 5 of the cycle that has been in play since the high in March. Within this wave 5 we are on a wave 3 of a wave 3. Our Elliott wave analysis is warning that downside moves should be considered as countertrend, as there should in theory be further upside within this cycle. The 1-hour RSI is now in divergence due to the move higher today, this will need to be monitored; however, the 4-hour RSI is making new highs, supporting our wave analysis. A close below the low of the last dominant bull candle (USD 22,875) will warn that buyside pressure is easing, implying we have entered a countertrend move lower. If we do trade below USD 19,387 the pullback will be considered as deep, meaning the probability of price trading to a new low will start to decrease. The 4-hour ADX is at 40, whilst the daily ADX is at 23, both support a bullish trending environment.

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