

FIS Capesize Intraday

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

Capesize Dec 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	30,304	R1	33,125	
S2	29,162	R2	33,573	
S3	27,614	R3	34,750	
		32,750	RSI above 50	Stochastic overbought

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (71)
- Stochastic is overbought
- Price is below the daily pivot level (33,125)
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported, whilst the futures were trading on a potential trend resistance line (USD 32,625— we noted that this line only has two points of contact). A close that held below the line would leave the futures vulnerable to an intraday move lower; conversely, if we held above it, then we would target the USD 33,573—USD 34,750 resistance levels. Our intraday Elliott wave analysis continued to suggest that downside moves should be considered as countertrend at that point. The technical was bullish but with price on the trend resistance line, the futures are at an inflection point. Downside moves should find bid support at lower levels.
- The futures held above the trend support line yesterday (USD 32,764), resulting in price trading to a high of USD 34,000 on the open this morning. Price is now selling lower but we remain above all key moving averages with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 33,125 with the RSI at or below 71 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 75.5 will mean it is aligned to the buy side. Downside moves that hold at or above USD 27,614 will support a bull argument, below this level the technical will have a neutral bias
- Technically bullish, the MA on the RSI implies that momentum is supported; countering this, the RSI is starting to cross the average, warning momentum could be starting to weaken. The futures are trading back on the trend line highlighted yesterday (USD 32,764), meaning we remain at an inflection point. A close that holds below the support line will indicate sell side pressure is increasing; conversely, if we hold above it with price and momentum becoming aligned to the buy side, then resistance levels will remain vulnerable. Intraday Elliott wave analysis continues to suggest that downside moves should be considered as countertrend at this point. However, we are seeing early signs of upside rejection this morning, warning the trend support line could be tested and broken.

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