

# FIS Capesize Intraday

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

## Capesize Jan 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	19,858	R1	20,250	20,200	Stochastic oversold	RSI below 50
S2	19,234	R2	21,193			
S3	18,175	R3	21,562			

Source Bloomberg

### Synopsis - Intraday

- Price is below the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot level (20,250)
- Technically bearish based on price on Friday due to the move below the USD 21,650 fractal support, the futures were trading in the Fibonacci support zone. However, the longer-term Elliott wave cycle remained bullish above USD 19,858, below this level the probability of the cycle trading to a new high would start to decrease. The MA on the RSI implied that momentum was weak at that point, meaning we did have a note of caution on upside moves in the very near-term, as they could struggle to hold; this also fitted our pattern analysis, as we had seen only one corrective wave lower at that point. If we failed at or below the USD 22,317 it would suggest that we were looking at a 3-wave corrective pattern on the 4-hour timeframe; conversely, above USD 22,317, market buyers would target the USD 23,125 high. Although bullish, we remained in a corrective phase.
- The futures sold to a low of USD 20,000 before finding very light bid support. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 20,250 with the RSI at or above 62 will mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 22,062 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI continues to warn that momentum is weak at this point. A close above the high of the last dominant bear candle USD 20,500 will indicate that buy side pressure is increasing, making USD 22,062 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. We continue to be cautious on upside moves in the near-term, as our wave analysis warns that we could struggle to hold.

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](http://freightinvestorservices.com)