

Capesize Feb 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1 15,406	R1 18,238	16,200	Stochastic oversold	RSI below 50
S2 13,634	R2 18,937			
S3 11,377	R3 19,885			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8–21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below the daily pivot level (16,250)
- Unchanged on the technical yesterday, we remained bearish with Fibonacci projection levels suggesting that we had a potential downside target at USD 15,406 for this phase of the cycle. The MA on the RSI had started to flatten, warning sell side momentum could be closing down; if price and momentum became aligned to the buy side, it would leave price vulnerable to an intraday move higher. Key resistance was at USD 19,885, above this level the probability of price trading to a new low would start to decrease. We maintained our view that lower timeframe Elliott wave analysis warned that intraday upside moves should be considered as counter-trend.
- The futures have seen light bid support; however, we remain below all key moving averages with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 16,250 with the RSI at or above 32.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 28 will mean it is aligned to the sell side. Upside moves that fail at or below USD 19,885 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical this morning, we remain bearish with Fibonacci projection levels suggesting we have a potential downside target at USD 15,406 for this phase of the cycle. The MA on the RSI is now, warning sell side momentum is slowing down; if price and momentum become aligned to the buy side, it will leave price vulnerable to an intraday move higher. Key resistance is unchanged at USD 19,885, above this level the probability of price trading to a new low will start to decrease. Lower timeframe Elliott wave analysis continues to suggest that intraday upside moves should be considered as counter-trend.

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