

FIS U.S. HRC Technical Report

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

US HRC June 26



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|------|
| S1 | 1,085 | R1 | 1,134 | RSI above 50 | |
| S2 | 1,070 | R2 | 1,140 | | |
| S3 | 1,054 | R3 | 1,182 | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 50- period MA
- RSI is above 50 (54)
- Stochastic is below 50
- Technical outlook previously: Cautious bull
- We noted two weeks ago that upside momentum in the trend had come from the roll on the forward curve, not from bullish price action. The move to new high had created an negative divergence with the RSI, not a sell signal, it warned that buyside momentum could slow, which needed to be monitored. The caveat, the RSI was also testing a trend resistance, a close and hold above it could leave price vulnerable to a short -term move higher, despite the divergence. The broader trend had been in play since August 2025 with the Elliott wave cycle indicating downside moves should still be considered as countertrend at this point.
- The RSI broke but failed to hold above the trend resistance, meaning the futures failed to trade above the USD 1,134 fractal high. This resulted in price selling lower on the negative divergence. To highlight the simplicity of the trend, we have swapped out the 30-60 period EMA's with the 50-period SMA, which price remains above. The RSI is still above 50.
- Downside moves that hold at or above USD 912 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Momentum support
- The futures are in a corrective phase but holding above a bullish sloping 50—period SMA. The RSI is above 50 but has moved lower alongside price, meaning we have positive velocity and negative acceleration. If the RSI turns higher, the positive velocity and acceleration will signal buyside pressure is on the increase. The emergence of a positive reversal pattern (RSI has broken support, price has not) is warning that there is an underlying support in the market, meaning the USD 1,134 fractal high remains vulnerable at this point. Market sellers should be cautious on moves that test the USD 1,085 level, as this is the high of the previous consolidation phase, meaning it is likely to attract buyside support. The momentum support implies caution on downside moves in the near-term.

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 www.freightinvestorservices.com