FIS Capesize Intraday

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

Capesize Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	46,783	R1	51,103	49,850	RSI above 50	Stochastic overbought
S2	45,603	R2	53,021			
S3	42,513	R3	56,125			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (82)
- Stochastic is overbought
- Price is above the daily pivot level (46,783)
- Intraday Technical Outlook Previously: Downsides moves considered as countertrend.
- We noted yesterday that although the futures had traded at a new high the RSI remained divergent with price. This was a condition that warned we could see a momentum slowdown, it was not a sell signal but did need to be monitored. The bullish Elliott wave extension continues to suggest that throwbacks should be considered as countertrend, providing we held above the USD 41,289 Fibonacci support; below this level would suggest that price has entered a higher timeframe corrective phase.
- The futures continue to trade higher with price 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 46,783 with the RSI at or below 71.5 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 42,513 would support a bull argument, below this level will warn that the futures are entering a higher timeframe corrective phase.
- Intraday Technical Outlook: Downsides moves considered as countertrend
- The strength of this move would suggest we are on multiple Elliott wave 3's, implying downside moves are considered as countertrend on the lower, medium, and longer-term timeframes. There is a minor RSI divergence; however, this is offset by the RSI holding above 70, signaling a tending environment. The ADX at 45 also supports a strong trending environment, meaning the technical and the wave cycle suggest downside moves should be considered as corrective, not bearish. If you see an intraday 4-hour close below the low of the last dominant bull candle at USD 48,000, it will signal sell side pressure is increasing, indicating we are entering a corrective pullback.

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