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	48,493	R1	51,375	48,875	RSI above 50	
S2	48,358	R2	53,456			
S3	47,064	R3	55,875			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (54)
- Stochastic is above 50
- Price is above the daily pivot level (48,358)
- Intraday Technical Outlook Previously: corrective
- The futures had entered a corrective phase yesterday with our Elliott wave analysis suggesting that downisde moves should be considered as counter-trend, making USD 43,108 the key support to follow. Throwbacks below this level would suggest that we are entering into a higher timeframe corrective phase (still considered as countertrend). Price had closed below the trend support line at USD 48,073, having broken the USD 48,125 fractal support on the 1-hour chart. Throwbacks below USD 47,064 would signal an increase in sell side pressure, warning the USD 45,500 fractal low could be tested and broken; conversely, market sellers should act with caution on a close and hold above the trend support line. The RSI had rejected 60, if it held the 40 level, it would signal momentum support.
- The futures hald the USD 47,064 support yesterday resulting in price closing back above the trend support line at USD 48,493. We are 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 48,358 with the RSI at or below 52.5 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 43,108 would support a bull argument, below this level would warn that the futures are entering a higher timeframe corrective phase.
- Intraday Technical Outlook: Supported
- Elliott wave analysis suggests that downside moves should be considered as countertrend, while price is above its trend line, implying the technical is supported. However, the RSI is yet to reclaim the 60 level, from a momentum perspective, that is a concern. If we reject the 60 level, then support levels will remain vulnerable; conversely, if we reclaim and hold above the 60 level, the momentum support would suggest that the USD 51,375 fractal high could be tested and broken. Although supported, we need to see more from the RSI if we are to move higher.

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