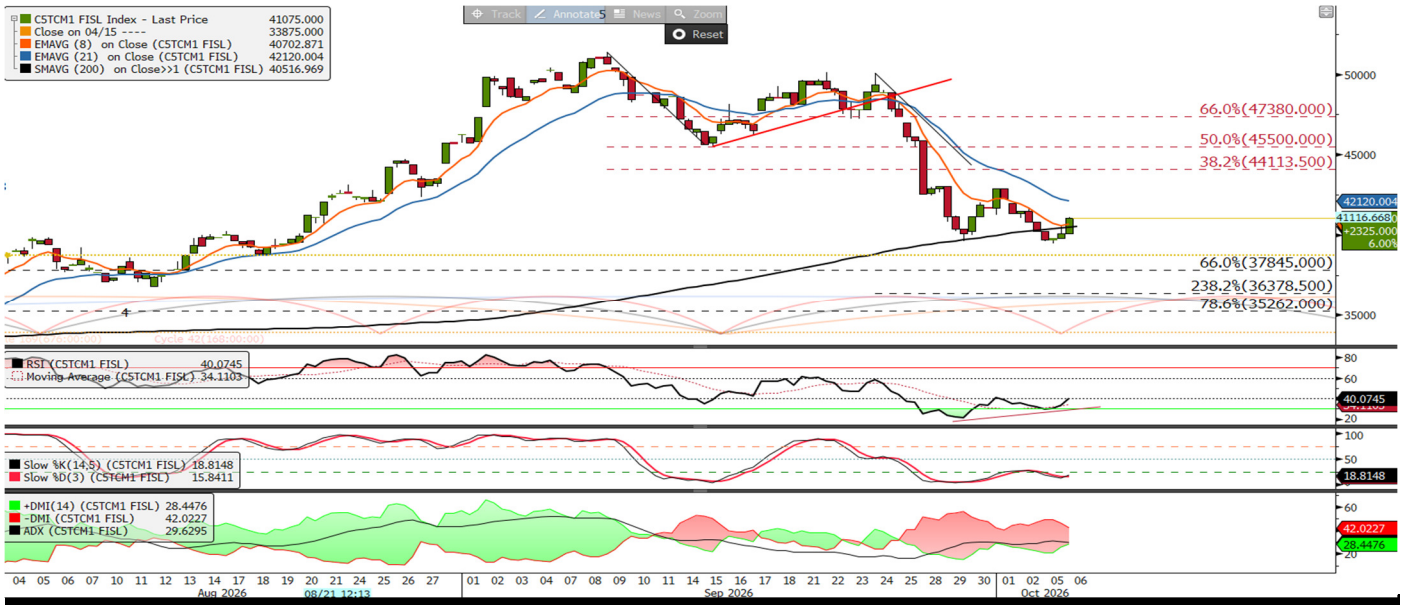
FIS Capesize Intraday

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

Capesize Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	40,516	R1	42,875	41,075	Stochastic oversold	RSI below 50
S2	40,058	R2	44,113			
S3	39,500	R3	45,500			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is above the daily pivot level (40,058)
- Intraday Technical Outlook Previously: Positive divergence
- The new low yesterday meant that we had a positive divergence in play, warning sell side momentum could slow down. If the divergence failed, then we would target the USD 37,845 Fibonacci support. We mark 37,845 as a key support; if broken, then it would suggest we were incorrect on the lower timeframe cycle (alternative cycle was highlighted in black, and pointed to an extended 5th wave, not an extended third wave). Throwbacks below USD 37,845 would suggest we are in a higher timeframe Elliott wave 4, at this point, USD 27,631 would become the key support to follow. Upside moves that failed at or below USD 47,380 would warn that the corrective cycle had the potential to become more complex. While in divergence, caution was warranted on lower moves at these levels.
- The futures have seen a small move higher on the positive divergence highlighted yesterday. Price is now between the 8– 20 period EMAs with the RSI still below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below 40,058 with the RSI at or below 32 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 47,380 would suggest that support levels remain vulnerable, above this level the probability of the futures trading at a new low would begin to decrease.
- Intraday Technical Outlook: Inflection point
- The move higher on the divergence yesterday means that price is moving back above the intraday 200-period MA at USD 40,516. At this point, the candle remains open (we remain within the 4-hour period, meaning it is yet to close), if we close and hold above the average, supported by the RSI reclaiming the 40 level, then we target the USD 42,875 fractal resistance. A move above USD 42,875 would signal an increase in buyside pressure, warning that the USD 47,380 resistance could be tested. Market buyers should act with caution if we move higher but fail to reclaim the 60 level, as it would suggest there remains an underlying weakness in the intraday technical. If the futures fail to close and hold above the 200-period MA, market buyers should act with caution, as it would indicate support levels remain vulnerable.

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