



# Capesize Technical Report

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## Index

The index remains technically bearish and vulnerable to further tests to the downside below USD 16,337. However, momentum is seen to be improving based on price with the RSI and the index moving higher, suggesting resistance levels could be tested. A close below USD 10,004 would indicate a weakening in momentum (based on price) whilst below USD 9,521 would warn the USD 6,382 support could be tested.

## March 22

As highlighted last week the futures were vulnerable to a technical pullback which was the case. Price held above our key support resulting in the future is moving above the short- and medium-term Moving averages. The technical is now bullish supported by the RSI making new highs. This would also suggest that corrective moves lower should hold above the USD 18,327 support, below this level the technical will have a neutral bias.

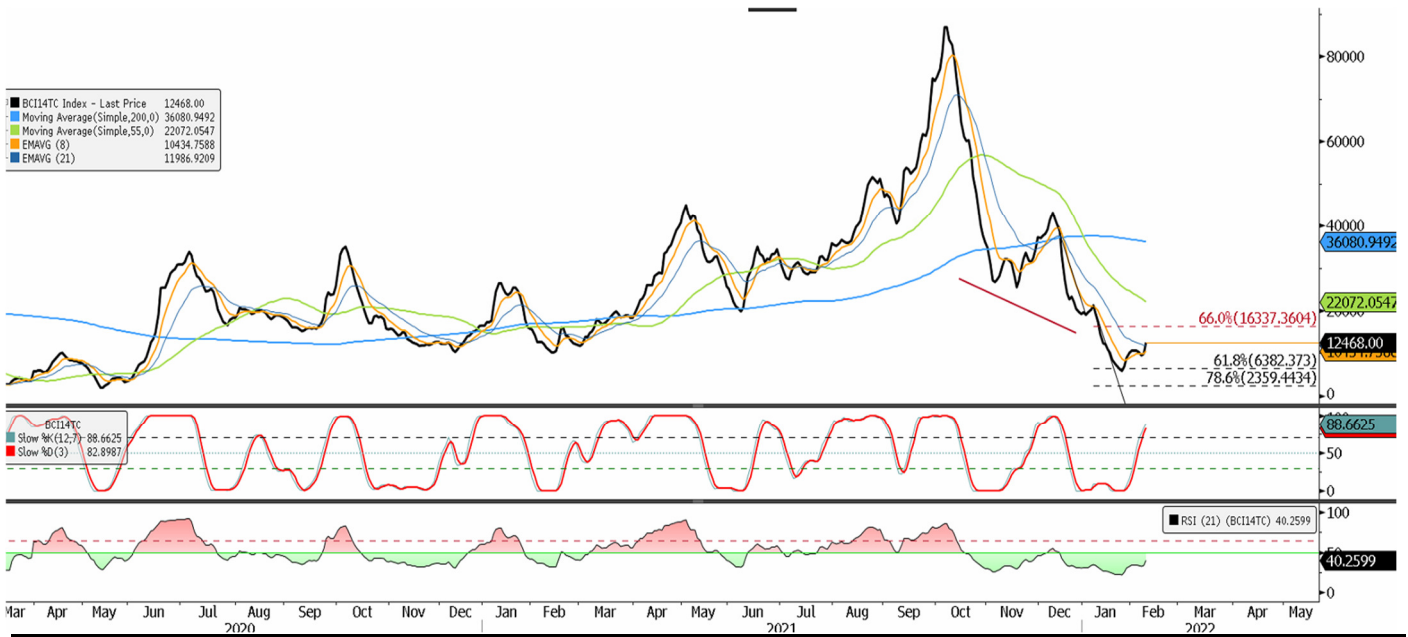
## Q2 22

We highlighted last week that the futures were in a bullish trending environment with upside moves above USD 24,837 targets the USD 26,400 and USD 27,623 resistance levels. Price has moved substantially higher supported by a bullish RSI, intraday Elliott wave analysis would suggest we are on an extended wave 3 of 3, meaning downside moves should be considered as countertrend. Corrective moves lower that's hold at or above USD 25,015 will support a bull argument, below this level the technical will have a neutral bias.

## Cal 23

Last week we targeted the USD 21,700 level as a potential upside target for this phase. Price remains bullish and is now trading at USD 21,000; However, our intraday Elliott wave analysis would suggest we are on wave 3 of an extended wave 3, indicating we could surpass this level. This would also imply that downside moves should be considered countertrend, as there is further upside in this cycle.

# Capesize Index



	Support	Resistance	Current Price	Bull	Bear
S1	9,521	R1	14,058		
S2	6,382	R2	16,337		RSI below 50
S3	5,826	R3	21,181		

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is below 50 (40)
- Stochastic is overbought
- As stated last week the low valuation of the index meant it wasn't considered a technical sell. Price has now started moving higher with the index above the 8- 21 period EMA's, however the RSI remains below 50.
- Upside moves that fail at a below USD 16,337 remain vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 21,181 is the index considered to be bullish.
- A close below USD 10,004 would indicate that momentum is weakening based on price, whilst below USD 9,521 the futures will target the USD 6,382 support
- Technically bullish momentum based on price is bullish with the index and the RSI moving higher, suggesting resistance levels could be tested.

# Capesize March 22 (1 Month forward)



Support		Resistance		Current Price	Bull	Bear
S1	19,862	R1	22,739	21,800	RSI above 50	Stochastic overbought
S2	19,210	R2	24,503			
S3	18,327	R3	26,750			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- We noted last week that there was a mean version gap with the 21-period EMA whilst the futures were testing the 55-period MA, warning of the potential for a technical pullback. We did see a small technical pullback that held above our key support before price started moving higher. The futures are above short- and medium-term averages supported by the RSI above 50.
- Corrective moves lower that hold above the USD 18,327 level will support a bull argument, below this level the technical will have a neutral bias. Only below USD 16,250 is price considered bearish.
- The futures are now above the 55-period MA which also supports a bull argument. Price will now target the USD 22,739 and USD 24,503 resistance levels.
- The RSI is making a new high again supporting a bull argument, suggesting downside support levels if tested should hold.
- When we look at the intraday on just a March future it would suggest we are on a bullish wave 3 of this phase, again supporting the theory that corrective moves lower should be against the trend.

# Capesize Q2 22



	Support	Resistance	Current Price	Bull	Bear
S1	26,009	R1	27,300	RSI above 50	Stochastic overbought
S2	25,587	R2			
S3	25,015	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (64)
- Stochastic is overbought
- We noted last week that the futures were technically bullish and in trend with a move above USD 24,837 targeting the USD 26,400 and USD 27,623 resistance levels. The futures have moved substantially higher with price now trading at USD 27,300.
- Corrective moves lower that hold at or above USD 25,015 will support a bull argument, below this level the futures will have a neutral bias. Only below the USD 23,800 level is the technical considered bearish.
- The RSI is making new highs which would suggest the downside move should be considered countertrend. Our intraday Elliott wave analysis supports this as price looks to be on an extended wave-3 of 3 of this phase.
- Technically bullish and in trend, corrective move lower based on our intraday Elliott wave analysis would suggest downside moves should find buying support.

# Capesize Cal 23



Support	Resistance	Current Price	Bull	Bear
S1	R1	21,000	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (57)
- Stochastic is overbought
- Technically bullish last week we noted that the futures had a potential upside target for this phase at USD 21,700, price continues to move higher and he's now trading at USD 21,000. The futures are above all key moving averages supported by the RSI above 50.
- Corrective moves lower that hold at or above USD 19,665 will support a bull argument, below this level the futures will have a neutral bias.
- We initially had USD 21,700 as an upside target for this phase; However, our intraday Elliott wave analysis would suggest we are on and extended wave 3 of wave 3 (like the Q2) which would suggest we have the potential to surpass this level. This would also imply that downside moves should be considered as against the trend.
- Technically bullish, intraday Elliott wave analysis supports further upside moves.

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