



Capesize Technical Report

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Index

As previously highlighted, momentum had warning that the USD 16,337 resistance could be tested, if it held the technical would be vulnerable to further tests to the downside. Resistance was tested and held, resulting in the index moving lower. Corrective moves that hold at or above the USD 10,753 – USD 9,521 support zone will support a bull argument; below this level the USD 5,826 low becomes vulnerable. Upside moves above USD 16,337 level will target the USD 21,181 high.

March 22

The technical has a neutral bias based on the deep pullback, suggesting the USD 16,250 support could be broken, if it is we target the USD 14,510 level. Upside moves that fail at or below USD 21,302 remain vulnerable to further tests to the downside, above this level we target the USD 23,750 high. The Elliott wave cycle had suggested that there should be another test to the upside, however the deep pullback and wave overlap warn that this might not be the case. If we do break to the downside but hold above the USD 14,510 level, then it would support a longer-term bull argument, this could be a key level as the seasonality charts on the 3-and 5-year average values turn to the buy-side on the 24/02.

Q2 22

The futures have entered a corrective phase in what looks like to be a bullish impulse Elliott wave 3. Downside moves that at or above USD 23,387 will support a bull argument, below this level the technical will have a neutral bias. Upside moves that fail at or below USD 27,305 which suggests we remain in a complex corrective phase; above this level the futures will target the USD 28,750 high. Three- and five-year seasonality charts are bullish for this time of year, however we remain conscious that we are over USD 10,000 about the average value, saying that price is following the seasonality pattern.

Cal 23

The futures remain technically bullish having held the USD 19,912 support on the downside move, upside moves above USD 21,137 will target the USD 21,925 high. The futures have produced a small bullish rejection candle warning we could see higher pricing tomorrow. However, if the USD 19,912 support is broken the probability of a new high being made will decrease based on the deep pullback.

Capesize Index



	Support	Resistance	Current Price	Bull	Bear
S1	10,753	R1	12,239		RSI below 50
S2	9,521	R2			
S3	5,826	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is overbought
- As noted on the last report momentum had warned that resistance levels could be tested, we also noted that if the USD 16,337 level held then price would be vulnerable to a test to the downside. The index trade up to but not above our resistance level before entering a corrective phase. Price is below the 8-21 period EMA's supported by the RSI below 50.
- Momentum is now bearish based on price; upside moves that close above USD 14,623 will indicate that buy-side momentum is improving.
- Upside moves above USD 16,337 will indicate the technical has a neutral bias whilst above USD 21,181 the technical is bullish
- The RSI is below 50 with the stochastic overbought, momentum is warning that price is vulnerable to a test to the downside. Near-term support is between USD 10,753 and USD 9,521, if it holds then expect resistance levels to come under pressure once again.

Capesize March 22 (1 Month forward)



Support	Resistance	Current Price	Bull	Bear
S1	R1	16,875		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is above 50
- Price is below all key moving averages supported by the RSI below 50
- The deep pullback in the futures mean the technical has a neutral bias. Downside moves below USD 16,250 will create a lower low and be bearish; however corrective moves lower that hold at or above the USD 14,510 could support a longer-term bull argument.
- Technically we are bullish above the USD 16,250 level, the intraday Elliott wave cycle had also supported further upside moves, however, the wave overlap is deep suggesting the USD 16,250 support could be tested.
- Upside moves that fail at or below USD 21,302 will leave the technical vulnerable to further tests to the downside, above this level the futures will target the USD 23,750 high.
- Technically neutral with the USD 16,250 support looking vulnerable, if broken, price will target the USD 14,510 support. 3- and 5-year seasonality charts turn bullish around the 24/02.

Capesize Q2 22



	Support	Resistance	Current Price	Bull	Bear
S1	24,687	R1	24,825	RSI above 50	
S2	23,387	R2			
S3	22,363	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is above 50 (53)
- Stochastic is above 50
- The futures have entered a corrective wave with price now between the 8-21 period MEA's with the RSI and the stochastic above 50.
- Downside moves below USD 23,800 will break a fractal support which in theory is considered as bearish; however, our Elliott wave analysis would suggest that this is part of a larger wave 3, Meaning that we remain technically bullish above USD 23,387 and neutral below. Only below USD 20,625 will price have traded below the base of the wave 3.
- Upside moves that fail at or below USD 27,305 remain vulnerable to further tests to the downside, suggesting we remain in a complex corrective wave 4. Above this level the futures will target the USD 28,750 high.
- Technically bullish but in a corrective phase if the RSI can hold above 50 and price above the USD 23,387 level it will suggest that we could have another test to the upside.

Capesize Cal 23



Support	Resistance	Current Price	Bull	Bear
S1	R1	20,375	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (52)
- Stochastic below 50
- The futures traded above the USD 21,700 resistance but failed to hold, resulting in a bearish rejection candle and a subsequent corrective phase. Price is between the 8-21 period EMA's supported by the RSI above 50.
- The corrective move lower has held above the USD 19,912 level, supporting a bull argument, below this level the technical will have a neutral bias. We now have a small bullish rejection candle in play warning the market is supported at these levels.
- Upside moves above USD 21,137 will target the USD 21,925 high.
- Intraday Elliott wave analysis would suggest we still have the potential for another test to the upside providing we hold above the USD 19,912 support, if broken the deep pullback will warn that the probability of the futures trading to a new high will have decreased.

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