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Support levels held last week resulting in a test to the upside, price is now above the USD 15,960 resistance level meaning the technical now has a neutral bias. Upside moves above the USD 21,181 level we will create a higher high indicating the technical is bullish. Likewise, downside moves below USD 12,000 will be bearish. Momentum remains vulnerable to further tests to the downside as the RSI is neutral with the stochastic in overbought territory, if the RSI can move above and hold above 50 then the overbought stochastic will be less relevant. Technically neutral/bearish.

March 22

Support held last week resulting in the futures trading higher, however we remain below the USD 21,302 resistance, meaning the technical continues to have a neutral bias. Upside moves above USD 21,302 will target the USD 23,750 high. Likewise, downside moves that hold at or above USD 18,148 will support a bull argument, below this level the futures will target the USD 16,250 low that would take the technical into bearish territory. Momentum indicators are warning we are vulnerable to a test to the upside, but the current candle is a bearish rejection candle which has formed at resistance, if the RSI moves below 50 the technical could come under pressure.

Q2 22

The technical is bullish but the new high today has created a negative divergence with the RSI, resulting in the futures moving lower. We look to be on a wave-5 of an extended wave 3, corrective moves lower that hold at or above the USD 26,030 will support a bull argument. Below this level the technical will have a neutral bias whilst below USD 24,500 would suggest the futures have entered a higher timeframe corrective wave 4.

Cal 23

The futures held the USD 19,912 level last week, resulting in price moving higher supporting our Elliott wave analysis. Downside moves that hold above the USD 20,538 level will support a bull argument, below this level the futures will have a neutral bias. The futures have not traded above the USD 21,925 high suggesting we have not yet completed this phase of the cycle. Technically bullish and in trend with the potential for further upside.

Capesize Index



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|--------------|
| S1 | 12,000 | R1 | 16,709 | RSI above 50 | RSI below 50 |
| S2 | 9,521 | R2 | | | |
| S3 | 5,826 | R3 | | | |

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Vulnerable to a test to the downside last week on the back of the momentum indicators the index held above USD 10,753 (traded lower for one more day to USD 12,000) before moving higher. Price is above the 8-21 period EMA's with the RSI now neutral at 50.
- The upside move above the USD 15,960 resistance means it is deep into the last bear wave, the technical has a neutral/bearish bias.
- The RSI is neutral at 50 with the stochastic overbought, momentum is still vulnerable to further tests to the downside. However, if the RSI can move above and hold above the 50 level then the faster moving stochastic is less relevant.
- Upside moves above USD 21,181 will create a higher high, at this point the technical is bullish based on price.
- Near-term momentum is bullish, the technical has a neutral bias; the RSI needs to hold above the 50 level for upside continuation. Downside moves below USD 12,000 will be bearish.

Capesize March 22 (1 Month forward)



| Support | | Resistance | | Current Price | Bull | Bear |
|---------|--------|------------|--------|---------------|--------------|------|
| S1 | 16,500 | R1 | 21,302 | 19,700 | RSI above 50 | |
| S2 | 16,250 | R2 | 22,209 | | | |
| S3 | 14,510 | R3 | 23,750 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is oversold
- Price is above the 8—21 period EMA's supported by the RSI above 50
- The downside move last week held the USD 16,250 support, leaving the technical bullish but with a neutral bias. Price has since moved higher to trade at USD 21,250; However, we remain below the key resistance at USD 21,302 which leaves the technical vulnerable to further tests to the downside.
- Upside moves that trade above the USD 21,302 resistance will target the USD 23,750 high.
- Downside moves that hold above USD 18,148 will support a bull argument, below this level the pullback is considered as deep, warning the USD 16,550 - USD 16,250 support zone could be tested.
- The RSI is above 50 with the stochastic leaving oversold territory, momentum is warning that we are vulnerable to a test to the upside, providing the RSI can hold above 50. If it does not, then the technical will be vulnerable.
- Having traded up to USD 21,250 on the open the futures are going into the close the day trading on its low at USD 19,700, meaning we have a bearish rejection candle potentially in play. Technically bullish/neutral, the current candle is warning we could move lower tomorrow.

Capesize Q2 22



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 27,281 | R1 | 27,750 | RSI above 50 | Stochastic overbought |
| S2 | 26,750 | R2 | | | |
| S3 | 26,030 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (59)
- Stochastic is overbought
- As noted last week the future were regarded as being technically bullish with our Elliott wave analysis suggesting we could have another test to the upside. This has been the case with the futures trading to a new high at USD 29,025. Price is above all key moving averages supported by the RSI above 50.
- Having traded to a new high the RSI has produced a negative divergence with price, resulting in a technical pullback on the current daily candle. Corrective moves lower that hold at or above the USD 26,030 level will support a bull argument, below this level the technical will have a neutral bias. Only below USD 24,500 will it be considered bearish.
- The futures look to be on a wave-5 of an extended wave-3, implying that downside moves that hold above the USD 22,466 level will support a longer-term bull argument. This would also indicate that corrective moves lower should be considered as countertrend.
- The technical is bullish with price pulling back today, key near-term support levels to watch are USD 26,030 and USD 24,500. Corrective moves lower that hold above the support zone will keep the futures in the current wave-5.

Capesize Cal 23



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 19,912 | R1 | 21,700 | RSI above 50 | Stochastic overbought |
| S2 | 19,527 | R2 | 22,503 | | |
| S3 | 18,875 | R3 | 23,525 | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Having held the USD 19,912 support last week we noted that the futures had produced a small bullish projection candle warning that the futures were supported around those levels. The futures subsequently moved higher with price now above all key moving averages whilst the RSI is above 50.
- Corrective moves lower the hold at or above USD 20,538 will support a bullish argument, below this level the futures will target the USD 19,912 support.
- Elliott wave analysis had suggested the futures would trade to a new high, at this point this has not been achieved, suggesting we still have the potential to trade above the USD 21,925 high.
- Upside moves that do make a new high have the potential to create a negative divergence with the RSI, this will need to be confirmed and monitored.
- Technically bullish, we maintain our view that wave analysis would suggest that very still further upside in this phase.

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