

Index

The index is in a corrective phase with price below all key moving averages supported by the RSI below 50. Price is now testing the USD 13,414 support, below this level the index is bearish, if support holds and closes above the USD 15,183 level then momentum based on price is considered as bullish. However, upside moves that fail at or below USD 20,075 will leave the technical vulnerable to further tests to the downside, above this level we target the USD 23,413 fractal resistance. The 3-year seasonality chart is turning higher warning that downside moves have the potential to be limited.

April 22

Bullish signals failed to produce an upside move last week with price trading to a low of USD 20,000. Price remains in a corrective phase with the futures producing a piercing candle pattern yesterday, warning that we are potentially seeing buying support in the market. A close above the USD 22,125 level will warn that resistance levels could be tested. Upside moves that fail at or below USD 25,940 will leave the technical vulnerable to a test to the downside. The RSI is below 50 but at 48 and near neutral whilst the stochastic is oversold, momentum remains vulnerable to a test to the upside. Three-year seasonality charts are now bullish, alongside the momentum and the piercing line candle pattern meaning we maintain our view that the futures are not considered a technical sell as we are vulnerable to an upside move.

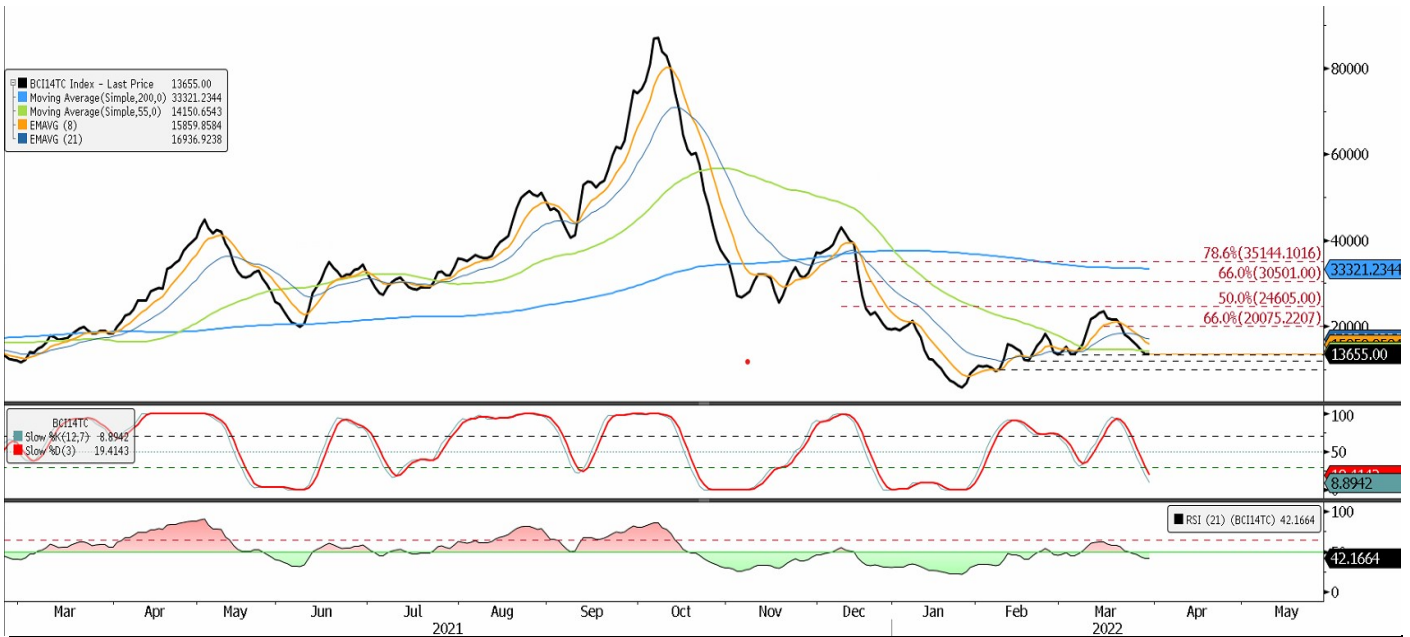
Q2 22

The futures moved to the downside last week after the bullish Harami pattern failed, resulting in the futures trading to a low of USD 26,500. The technical remains bullish with a neutral bias due to the depth of the pullback. Upside moves that fail at or below USD 30,295 will leave the technical vulnerable to further tests to the downside, above this level we target the USD 32,250 fractal resistance. A bullish engulfing pattern and higher pricing today with RSI/stochastic support, suggests upside resistance levels could be tested.

Cal 23

Technically neutral last week with the trend stable based on the longer-term EMA's. A bullish engulfing pattern yesterday means we have seen a 10% move higher in the last two sessions which has created a negative divergence with the RSI. Not a sell signal it does warn of the potential for a momentum slowdown and will need to be monitored, if the RSI moves above 62 the divergence will have failed.

Capesize Index



Support		Resistance		Current Price	Bull	Bear
S1	13,414	R1	20,075	13,655	Stochastic oversold	RSI below 50
S2	12,000	R2	23,413			
S3	9,521	R3	24,605			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- As noted on last weeks report the Index was at a key support with the RSI near neutral whilst the stochastic was in overbought territory, if the RSI did not move above and hold above 50 then price was vulnerable to a test to the downside, this has been the case. Price is below the 8-21 period EMA's supported by the RSI below 50.
- A close above USD 15,183 will mean momentum is bullish based on price; however, upside moves that fail at or below USD 20,075 remain vulnerable to further tests to the downside, above this level price will target the USD 23,413 fractal resistance.
- Downside moves below USD 13,414 will create a lower low in the market, at this point the technical is bearish.
- The index is bullish with a neutral bias with price now at key support. Seasonality is warning that we could soon see a turn to the upside, suggesting caution on downside moves.

Capesize April 22 (1 Month forward)



Support		Resistance		Current Price	Bull	Bear
S1	20,000	R1	23,438	22,125	Stochastic oversold	RSI below 50
S2	19,367	R2	24,500			
S3	16,200	R3	25,940			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- Technically bullish but in a corrective phase last week with price above the 55-period EMA, a bullish Harami pattern with momentum warning that we had the potential for a test to the upside, for this reason the futures were not considered a technical sell. The Harami pattern failed, as did the 55-period EMA whilst the RSI moved below 50, resulting in the futures trading to a low of USD 20,000. Price remains in a corrective phase below the 8-21 period EMA's with the RSI just below 50.
- The longer-term trend remains bullish with a neutral bias due to the depth of the pullback; A piercing line candle pattern yesterday is warning that there is buying support in the market, a close above USD 22,125 today will warn that resistance levels could be tested.
- Upside moves that fail at or below USD 25,940 will leave the technical vulnerable to further tests to the downside, above this level the futures will target the USD 29,000 fractal resistance.
- Momentum is in a similar situation as last week, the RSI at 48 is near neutral with the stochastic oversold, meaning it remains vulnerable to a test to the upside. For this reason, we maintain our view that the futures are not considered a technical sell at this point.

Capesize Q2 22



	Support	Resistance	Current Price	Bull	Bear
S1	27,685	R1	29,375	RSI above 50	
S2	26,551	R2	30,295		
S3	24,625	R3	31,019		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is above 50 (52)
- Stochastic is oversold
- The bullish Harami pattern failed last week with the futures trading to a low of USD 26,500 before a strong rebound yesterday. Price is below the 8-21 period EMA's supported by the RSI above 50.
- Upside moves that fail at or below USD 30,295 will leave the technical vulnerable to further tests to the downside, above this level we target the USD 32,250 fractal resistance.
- The RSI is above 50 with the stochastic in oversold territory, if the RSI can hold above 50 then momentum is warning there is further room to the upside.
- A bullish engulfing pattern yesterday off moving average support followed by higher pricing today would suggest resistance levels could be tested. A close today above USD 28,875 will further support a bull argument.
- Technically bullish with a neutral bias due to the depth of the previous pullback, upside moves above USD 30,295 would suggest we could test the fractal resistance at USD 32,250

Capesize Cal 23



	Support	Resistance	Current Price	Bull	Bear
S1	21,486	R1	22,503	RSI above 50	
S2	21,250	R2	22,250		
S3	20,930	R3	24,814		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (58)
- Stochastic is below 50
- Technically neutral last week we noted that the longer period EMA's (30-60) were well spaced, indicating the trend remained stable. Price opened below the EMA's yesterday before producing a bullish engulfing pattern that closed above the previous 11 sessions. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 20,930 will support a bull argument, below this level the futures will have a neutral bias.
- The futures have made a higher high, but the RSI has not, meaning we have a negative divergence, not a sell signal it does warn that we have the potential to see a momentum slowdown.
- Technically bullish the futures have moved 10% higher in the last two days, the divergence will need to be monitored. If the RSI moves above 62 then the divergence will have failed.

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