



# Capesize Technical Report

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## Index

The index has now traded into the resistance zone highlighted last week with price above the 200-period MA. However, the RSI remains below the 64 level with the index starting to move lower. A close below USD 17,772 will warn that the USD 14,800 support could be tested. If the RSI moves above 64 then we have the potential to test upside resistance levels, as this has previously indicated the momentum is bullish.

## Oct 22

The daily technical is bullish have traded above the USD 20,750 level, however our Elliott wave analysis would suggest that upside moves should be considered as countertrend. The futures remain vulnerable below USD 23,045 with the cycle considered as neutral above this level. The futures have held the USD 16,875 level supporting a near-term bull argument, below this level the futures have a neutral bias, only below USD 14,250 is the technical bearish. Upside moves above USD 21,000 will create further intraday negative divergences, suggesting caution on new highs as momentum could be vulnerable to a technical pullback.

## Q4 22

The futures have started to consolidate between the short and medium term EMA's, suggesting we have found value for now. The RSI is neutral at 50 with the stochastic in overbought territory, if the RSI moves below 50 then momentum is vulnerable to a test to the downside; however, if the RSI holds above 50 then the stochastic is considered as less relevant. Elliott wave analysis continues to suggest that this upside moves is potentially countertrend, a close below USD 17,675 or a move below USD 16,375 will warn that the USD 15,000 and potentially the USD 12,625 support levels could be vulnerable. Upside moves that fail at or below USD 22,722 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Technically bearish, price is consolidating with momentum looking vulnerable.

## Cal 23

Little has changed on the technical since last week with price trading between the 8-21 period EMA's. The futures have moved higher recently on the back of a positive divergence with the RSI but failed to test the Fibonacci resistance zone, the RSI is below 50 with the stochastic in overbought territory, momentum is suggesting the futures are vulnerable to a rest to the downside. However, below USD 12,800 the futures will create another positive divergence, implying the futures are not considered a technical sell on downside breakouts.

# Capesize Index



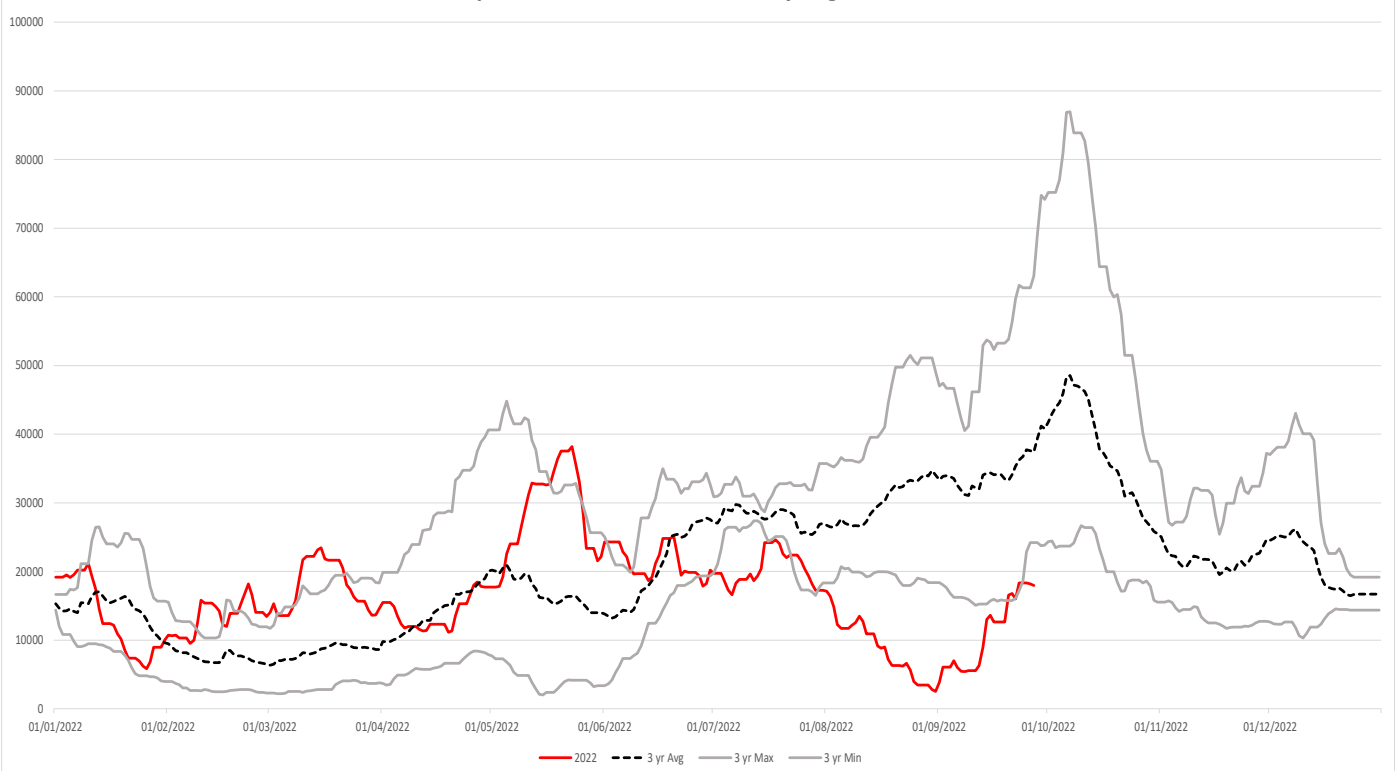
	Support	Resistance	Current Price	Bull	Bear
S1	14,800	R1	19,443	RSI above 50	Stochastic overbought
S2	12,261	R2	21,303		
S3	10,399	R3	23,674		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Technically bullish on the last report with resistance between USD 18,179 – USD 19,443, the index has traded to a high of USD 18,293. Price is above all key moving averages supported by the RSI above 50.
- Price is above the 200-period MA, but the break is not convincing, as the index has started to move lower. Near-term support is at USD 14,800; however, downside moves that hold at or above USD 7,872 will support a longer-term bull argument, below this level the technical will have a neutral bias.
- Technically bullish the RSI is finding resistance below the 64 level whilst price is testing the 200-period MA (USD 17,772). A close below this level with the RSI rejecting the 64-resistance line will leave the interim support at USD 14,800 vulnerable.

## Capesize Index 3-Year Seasonality Avg/max/Min



# Capesize October 22 (1 Month forward)

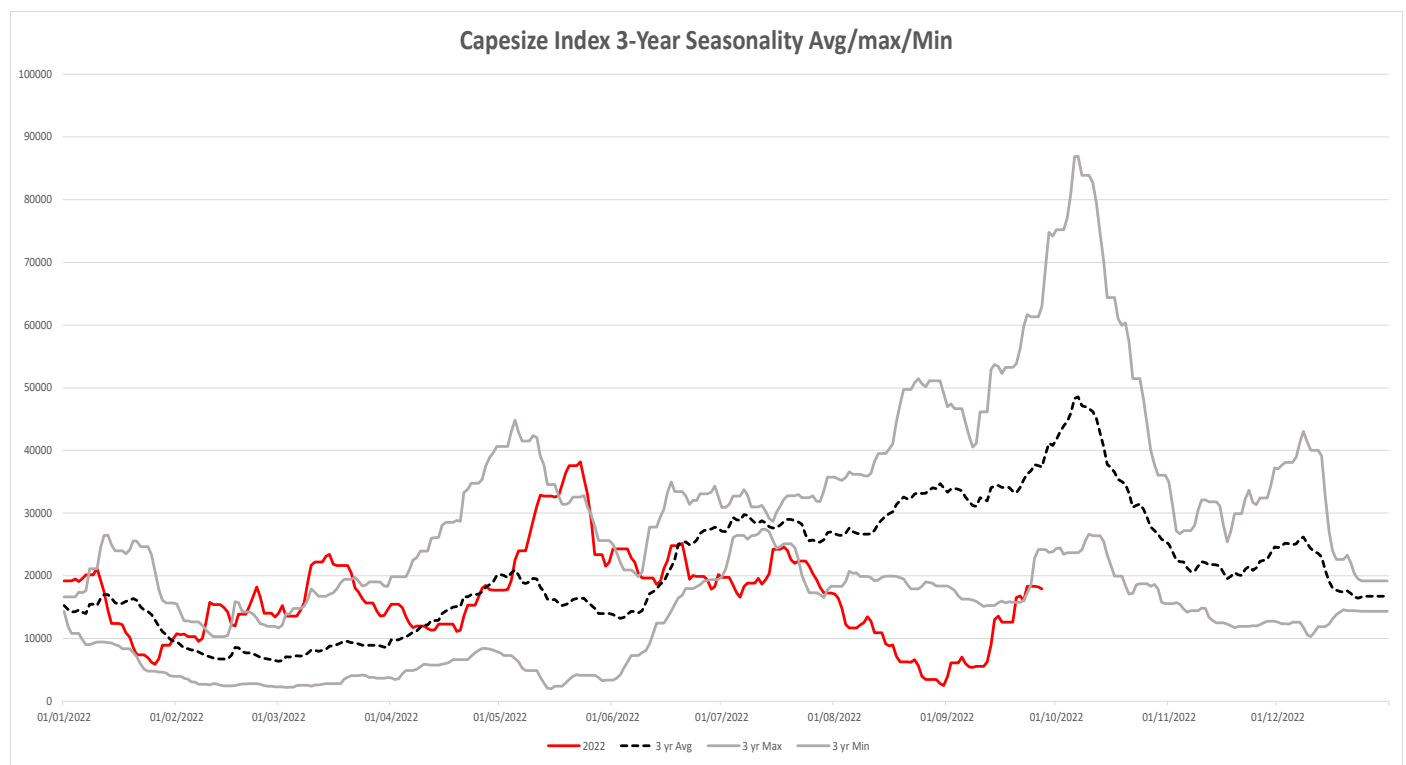


	Support	Resistance	Current Price	Bull	Bear
S1	18,612	R1	21,000	RSI above 50	Stochastic overbought
S2	17,875	R2	22,191		
S3	16,875	R3	23,045		

### Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (55)
- Stochastic is overbought
- The futures were trading at new highs last week, but the intraday RSI was in divergence, warning we had the potential to see a momentum slowdown, our Elliott wave analysis suggested the upside move looked to be countertrend. Price did trade above USD 20,750 meaning the daily technical is bullish based on price, however we failed to trade above USD 21,000, meaning the wave cycle remains vulnerable to further tests to the downside. Price is above short- and medium-term moving averages supported by the RSI above 50.
- The corrective move lower has held above USD 16,875, supporting a near-term bull argument, downside moves below this level will mean the futures will have a neutral bias. Only below USD 14,250 is the technical bearish. Upside moves above USD 21,000 have further resistance at USD 22,191 and USD 23,045.
- Technically bullish, the intraday futures remain in divergence on the intraday chart, suggesting caution on new highs as momentum is warning we could be vulnerable to a technical pullback.

Source Bloomberg



# Capesize Q4 22 (Rolling front QTR)

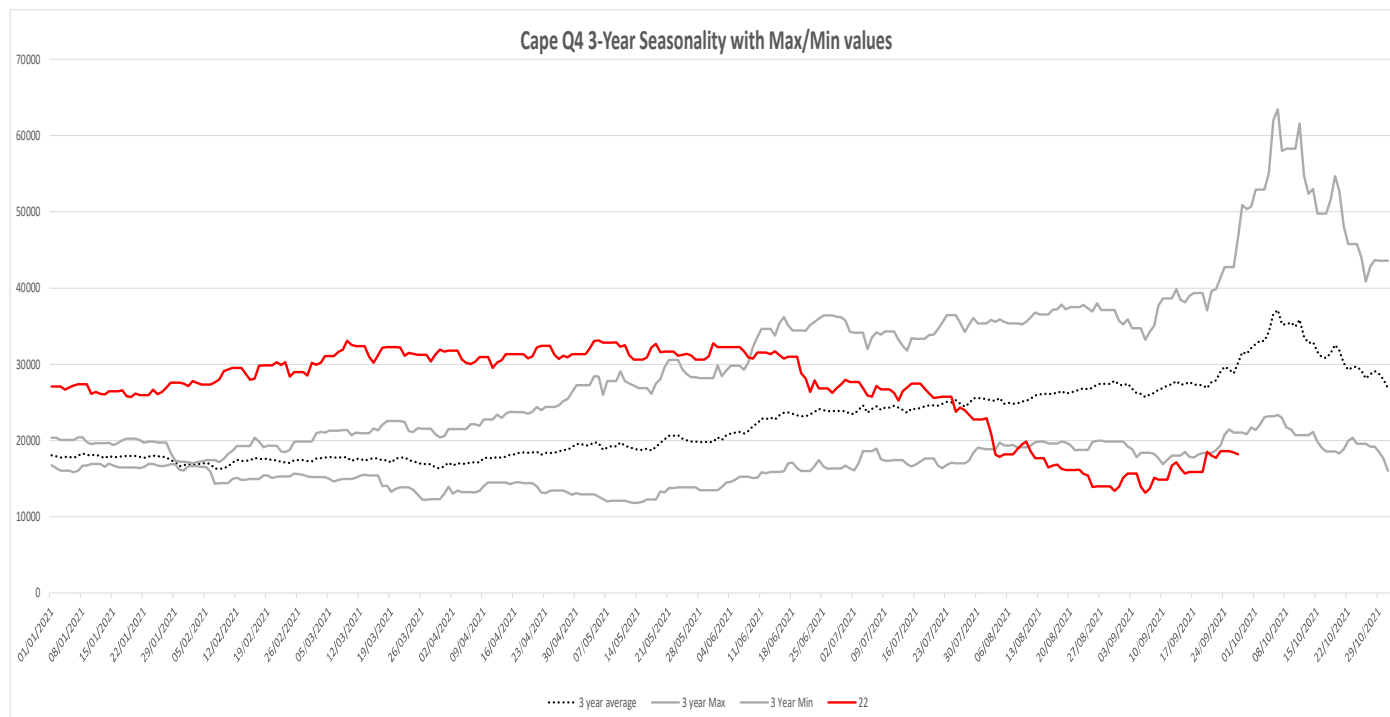


	Support	Resistance	Current Price	Bull	Bear	
S1	16,375	R1	18,500	RSI above 50	Stochastic overbought	
S2	15,000	R2				20,312
S3	13,312	R3				22,772

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is at 50 (50)
- Stochastic is overbought
- The futures are above the 8-21 period EMA's but below the 55-period EMA resulting in the futures consolidating, suggesting the market has found value at this point. The RSI remains neutral at 50 with the stochastic in overbought territory, momentum is warning that the futures are vulnerable to a test to the downside.
- Downside moves below USD 16,375, or a close below USD 17,675 will warn that the USD 15,000 and potentially the USD 12,625 support levels could be tested.
- Momentum is to the buy side, but the futures are consolidating at this point. Our Elliott wave analysis continues to suggest that the current move is considered as countertrend, upside moves that fail at or below USD 22,772 will leave the futures vulnerable to further tests to the downside, above this level the wave cycle will have a neutral bias.



# Capesize Cal 23



	Support	Resistance	Current Price	Bull	Bear	
S1	12,713	R1	13,675		RSI below 50	
S2	11,750	R2				14,525
S3	10,535	R3				15,077

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is below 50 (41)
- Stochastic is overbought
- Technically bearish last week the futures had moved higher on the back of a positive divergence, little has changed in the last seven days with price trading between the 8-21 EMA's.
- Upside moves that fail at or below USD 15,077 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. (unchanged)
- The futures remain below the Fibonacci resistance zone, however the RSI is still below 50 with the stochastic in overbought territory, if the RSI moves below 50 then momentum is vulnerable to a test to the downside. Downside moves below USD 12,800 will create another positive divergence with the RSI, meaning the futures are not considered a technical sell on downside breakouts.

## Cape Calendar 3-year Seasonality Avg/Max/Min

