



# Capesize Technical Report

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## Index

Technically bearish with momentum based on price currently aligned to the buy-side. Upside moves that fail at or below USD 17,429 will leave the index vulnerable to further tests to the downside. The RSI is moving higher but into a sloping MA suggesting resistance level could hold if tested in the near-term.

## Dec 22

Little has changed on the technical since last week. The H&S pattern continues to suggest that we target the USD 8,500 level whilst the upside move itself is weak, warning we could see downside support levels come under pressure. Upside moves that fail at or below USD 15,826 will leave the futures vulnerable to further tests to the downside. The intraday RSI would suggest that support levels remain vulnerable.

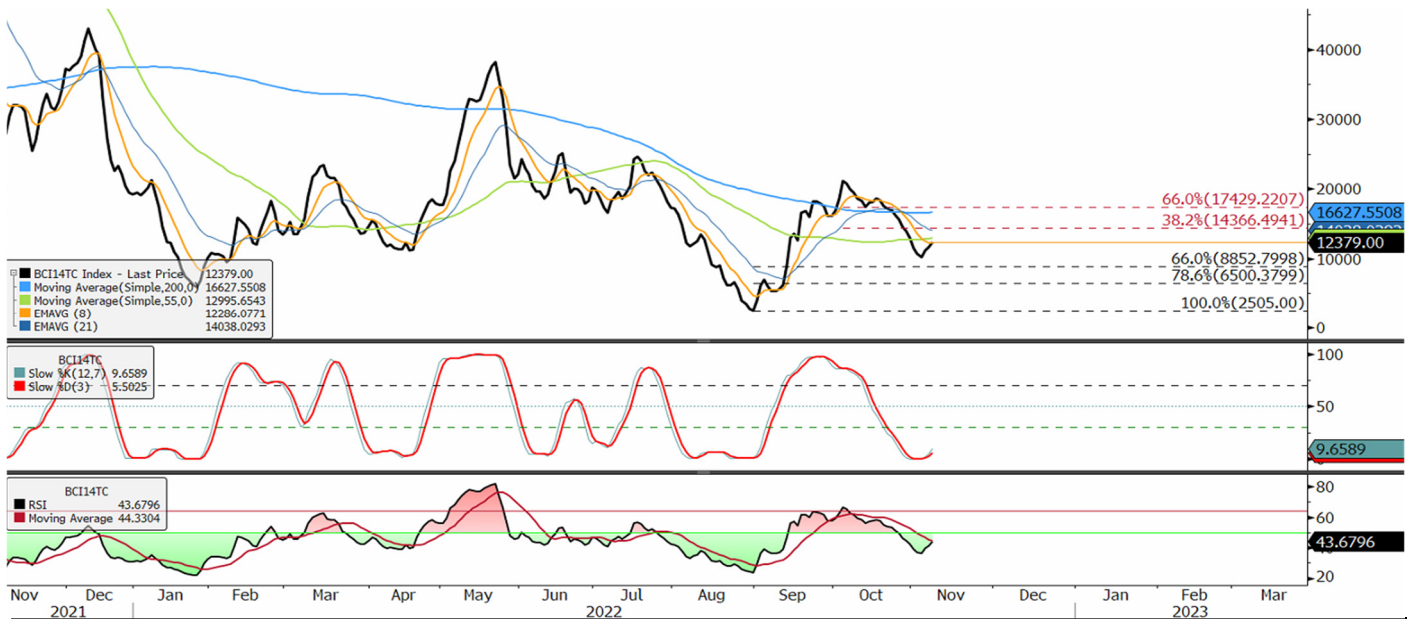
## Q1 23

The futures moved higher last week due to low seasonality values and a positive divergence with the RSI. The technical remains bearish with price below our key resistance at USD 6,994, upside moves that fail at or below this level will leave the futures vulnerable to further tests to the downside, above it the technical is neutral. Seasonality values remain low but intraday momentum indicators would suggest that support levels still have the potential to be tested.

## Cal 23

Like the rest of the cape complex we have seen a small move higher in the last week on the back of the futures holding RSI support. The trend remains technically bearish with key resistance at USD 12,784, the technical is bearish below this level and neutral above. The intraday RSI did make a new low on the recent downside move suggesting the USD 11,250 low remains vulnerable.

# Capesize Index

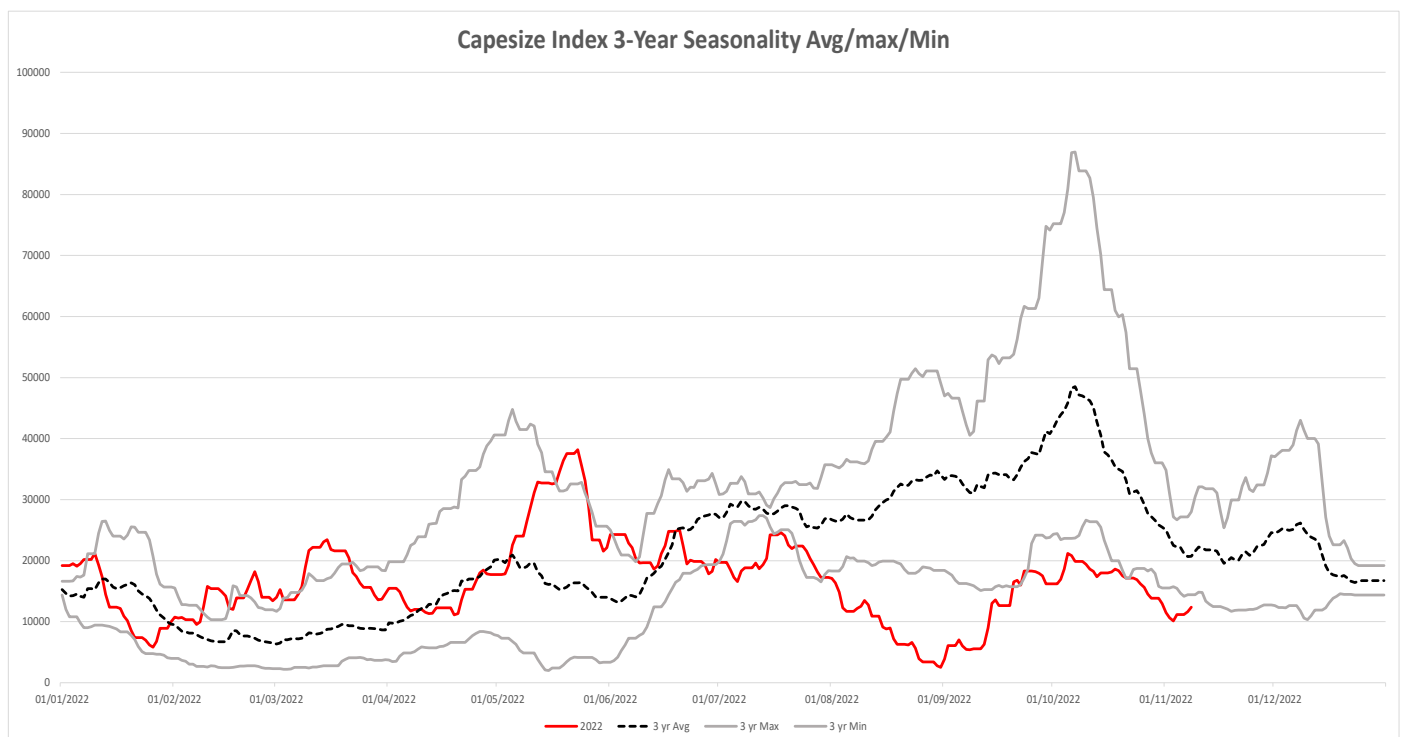


Support	Resistance	Current Price	Bull	Bear
S1	8,852	R1	14,366	Stochastic oversold
S2	6,500	R2	15,666	
S3	2,505	R3	17,429	
		12,379		RSI below 50

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Technically bearish last week, the stochastic had hit an extreme low signaling downside continuation, suggesting the USD 8,852 and USD 6,500 support levels could be vulnerable. The index moved USD 1,350 lower but failed to test the USD 8,852 support with price now moving higher. The index is between the 8-21 period EMA's with the RSI below 50.
- Momentum based on price is now aligned to the buy side, a close below USD 11,051 will mean it is aligned to the sell side. Upside moves that fail at or below USD 17,429 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with momentum to the buy side, the RSI is now testing its bearish sloping moving average. Unless we start seeing a strong impulse move soon, the MA on the RSI would suggest that resistance levels should hold in the near-term. Seasonality charts tend to turn bullish around the 18/11; however, we are mindful that seasonality has only played out to the sell side this year.



# Capesize December 22 (1 Month forward)

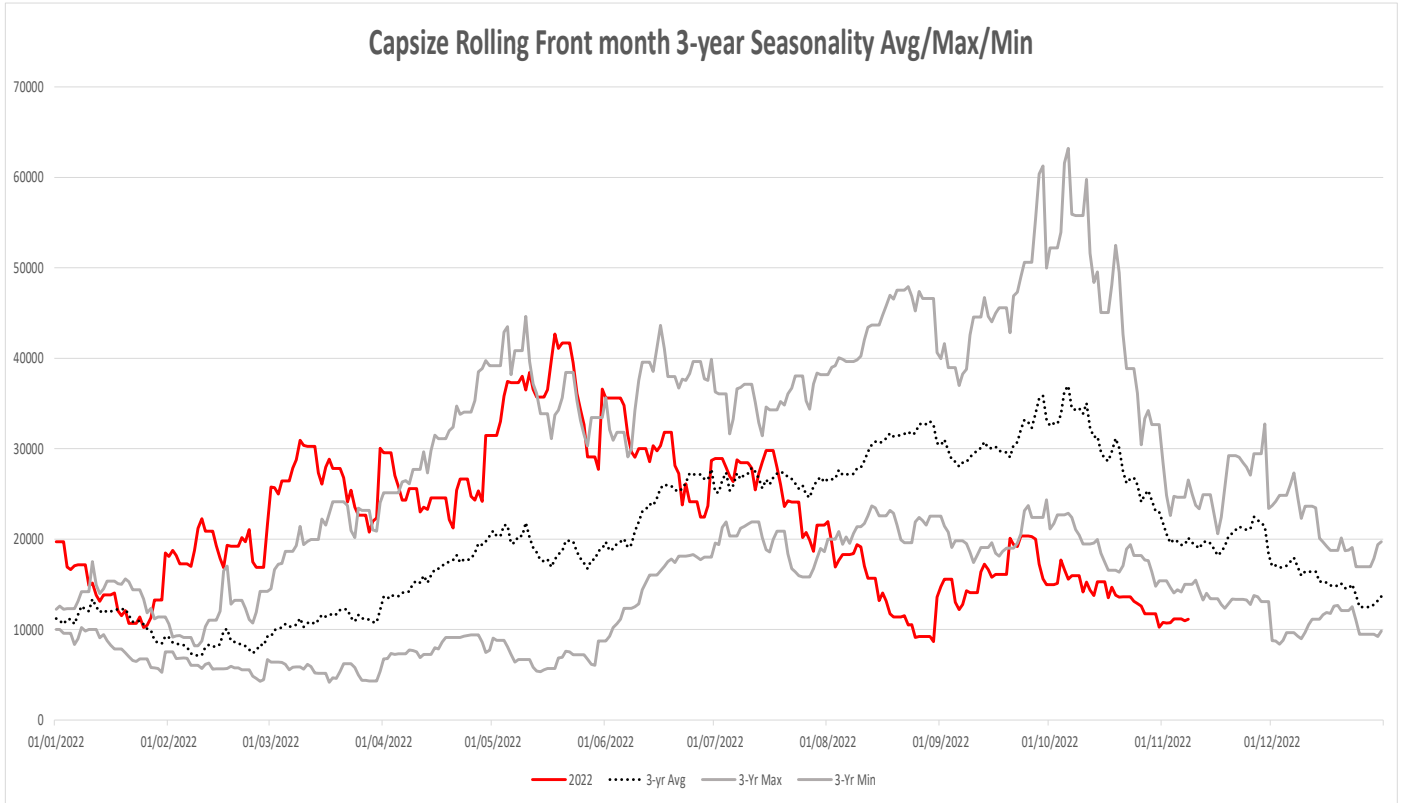


Support		Resistance		Current Price	Bull	Bear
S1	9,837	R1	13,435	11,125	Stochastic oversold	RSI below 50
S2	8,500	R2	14,450			
S3	6,812	R3	15,826			

## Synopsis - Intraday

- Price is below the 8-21 period EMA
- RSI is below 50 (40)
- Stochastic is oversold
- Technically bearish on the last report with the Head and Shoulders pattern (H&S) implying we have a potential downside target based on the 100% Fibonacci projection at USD 8,500, which suggested upside moves should be considered as counter-trend. we have seen a small upside move; however, we remain below the 8-21 period EMA's supported by the RSI below 50.
- Upside moves that fail at or below USD 15,826 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 18,750 is the technical bullish.
- Little has changed from a technical perspective in the futures, we remain bearish below all key moving averages with the upside move currently showing a lack of buy-side strength, suggesting support levels remain vulnerable.

Source Bloomberg



# Capesize Q1 23 (Rolling front QTR)

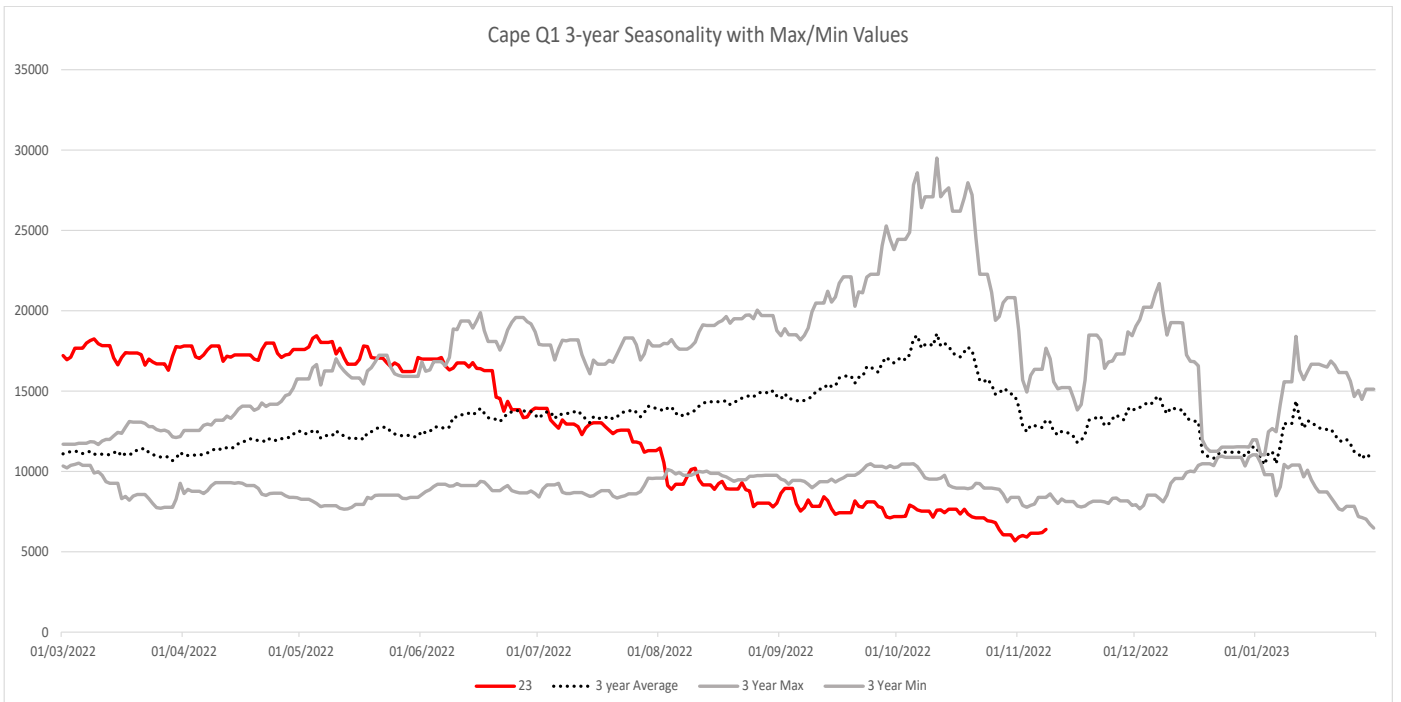


	Support	Resistance	Current Price	Bull	Bear
S1	5,657	R1	6,662		
S2	5,075	R2	6,994		RSI below 50
S3	4,492	R3	7,255		

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is below 50 (40)
- Stochastic is below 50
- Technically bearish last week, we had an element of caution as price was trading below 3-year seasonality lows whilst the daily RSI was in divergence. The futures held the USD 5,657 support with price moving around USD 1,000 higher by the 04/11, we are currently USD 825 off the low. The futures are trading between the 8-21 period EMA's with the RSI still below 50.
- Upside moves that fail at or below USD 6,994 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias, only above USD 7,750 is the technical bullish. (unchanged)
- Technically bearish the futures remain below 3-year seasonality lows with the with price moving higher on the back of the positive divergence. Key resistance is at USD 6,994, if it holds then we have the potential to see support levels come under pressure.



# Capesize Cal 23



Support		Resistance		Current Price	Bull	Bear
S1	10,535	R1	12,138	11,856	Stochastic oversold	RSI below 50
S2	9,500	R2	12,412			
S3	8,969	R3	12,784			

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is below 50 (36)
- Stochastic is oversold
- Technically bearish last week we remained cautious of downside moves due to the RSI testing support levels whilst still in divergence. We have seen a small upside move with the futures moving USD 500 higher. Price is between the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 12,874 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. (Unchanged)
- The futures are moving higher on the back of the divergence but the trend remains bearish at this point, making USD 12,784 the key resistance to follow, the near-term intraday RSI did make a new low, warning we could see the USD 11,250 low come under further pressure.

