



Capesize Technical Report

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Index

We remain technically bearish below all key moving averages supported by the RSI below 50. A close above USD 5,065 will indicate that momentum based on price is starting to strengthen, upside moves that fail at or below USD 10,238 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Technically bearish seasonality remains weak until around the 07/02 with the index already at low levels, suggesting caution on the downside move from here.

Feb 23

Technically bearish but not a technical sell last week due to the positive divergence that was in play, the futures moved USD 900 lower. We remain below all key moving averages with the RSI below 50; however, we do still have a divergence in play whilst the RSI is also testing support levels, meaning although bearish, we do not consider the futures a technical sell at these levels. Upside moves that fail at or below USD 7,895 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.

Q2 23

Technically bullish but in a corrective phase with downside moves considered as countertrend. From a technical perspective little has changed, intraday Elliott wave analysis continues to suggest the current corrective phase is countertrend with key support at USD 12,542. Upside moves above USD 14,350 will indicate buy-side momentum is strengthening, warning that USD 15,050 high could be tested and broken.

Cal 24

A cautious bull last week as upside moves above USD 16,050 had the potential to create a negative divergence with the RSI. The futures traded to a high of USD 16,100 before entering a corrective phase. Downside moves that hold at or above USD 14,384 will support a near-term bull argument, below this level the technical will have a neutral bias. The futures are failing to hold above the 200-period MA with the divergence in play, warning we are vulnerable to a corrective phase; however, Elliott wave analysis remains bullish, suggesting downside moves are still considered to be countertrend.

Capesize Index

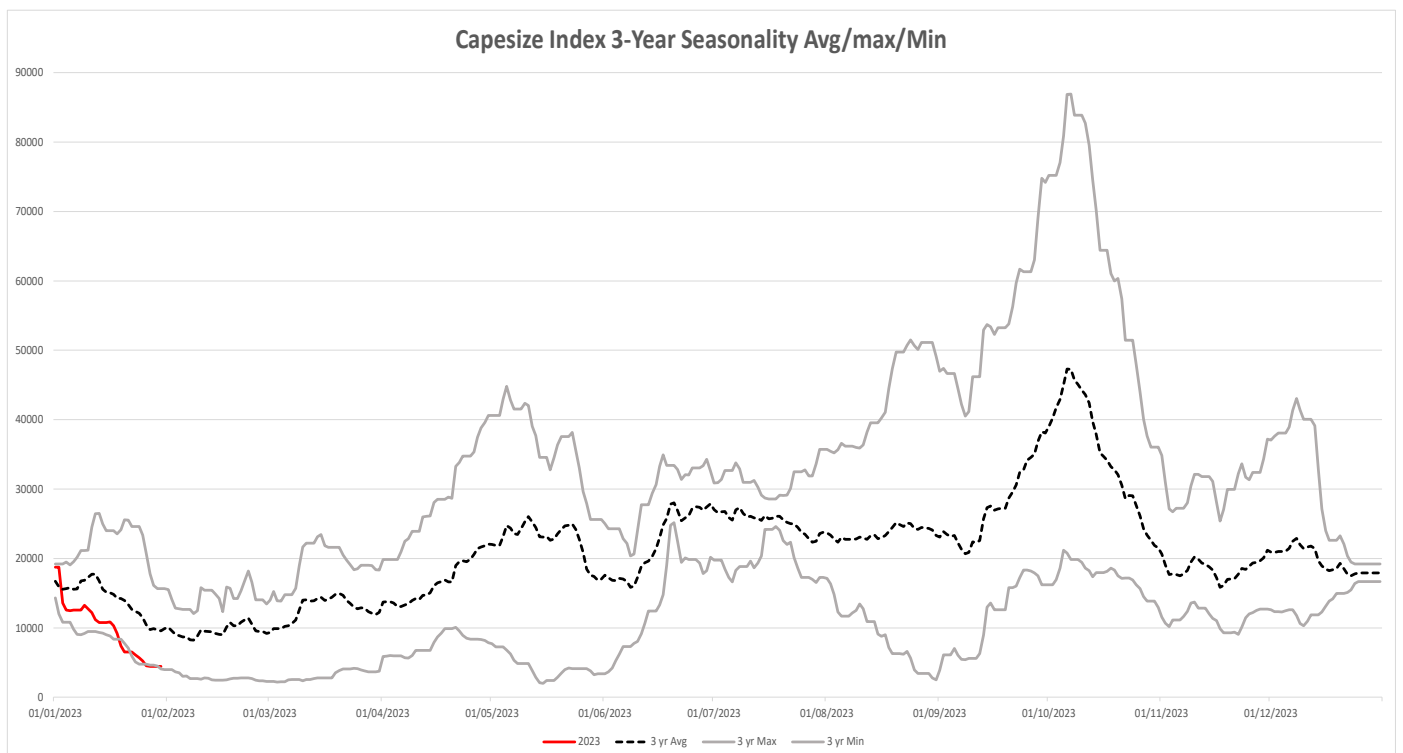


Support	Resistance	Current Price	Bull	Bear
S1	R1	4,418	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (30)
- Stochastic is oversold
- Technically bearish last week with price continuing to move lower supported by a bearish seasonality chart. The index remains in trend with price below all key moving averages supported by the RSI below 50.
- Momentum based on price remains aligned to the sell side, a close above USD 5,065 will mean it is aligned to the buyside. upside moves that fail at or below USD 10,238 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The index continues to track the 3-year seasonality low levels with near-term support around the USD 2,500 level. Technically we remain bearish with price needing to close above USD 5,065 to signal buyside momentum is improving.



Capesize February 23 (1 Month forward)

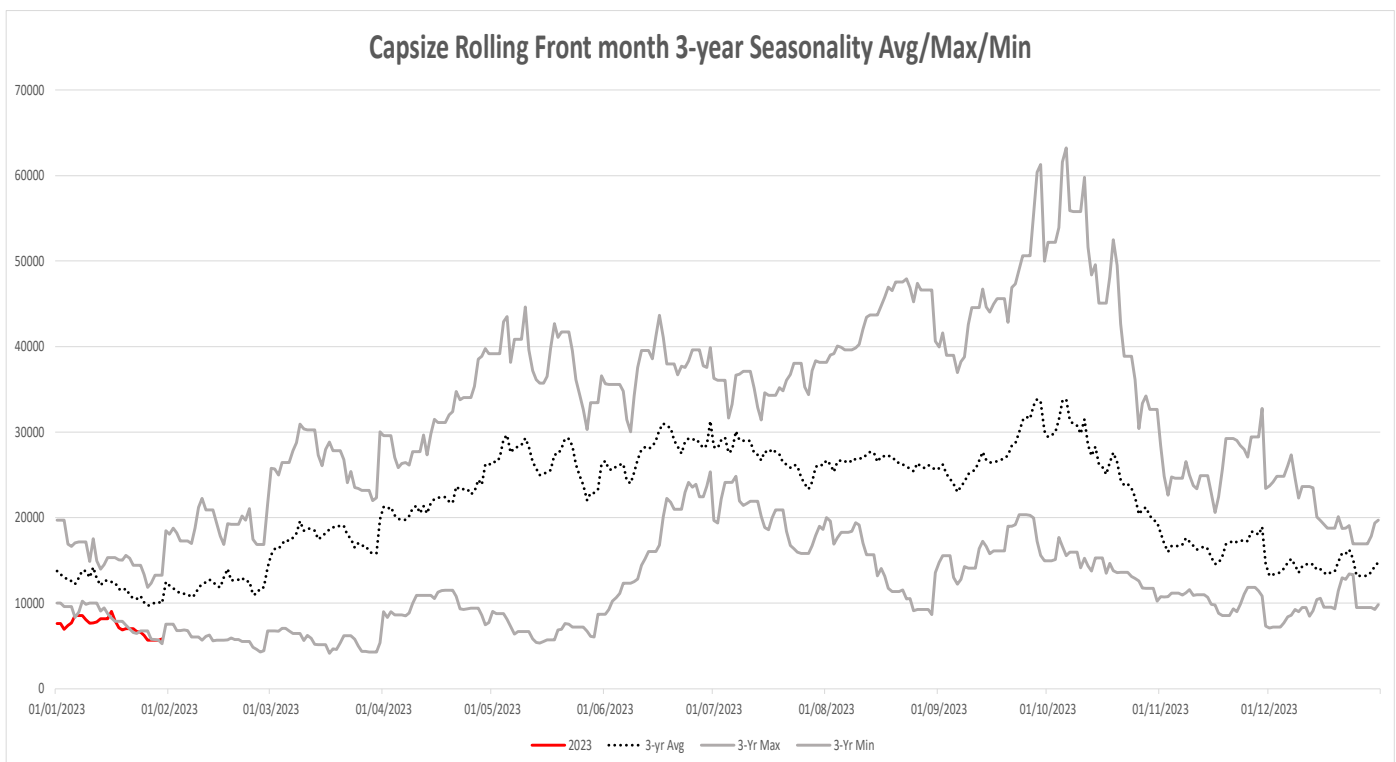


Support		Resistance		Current Price	Bull	Bear
S1	5,030	R1	6,854	5,800	Stochastic oversold	RSI below 50
S2	3,917	R2	7,895			
S3	2,500	R3	9,167			

Synopsis - Intraday

- Price is below the 8-21 period EMA
- RSI is below 50 (46)
- Stochastic is oversold
- Technically bearish but not considered a technical sell last week due to the positive divergence that was in play, the futures remain in trend with price another USD 900 lower. Price is below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 7,895 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 9,167 is the technical bullish.
- The RSI is testing support and remains in divergence against the low on the 01/12/22. Not a buy signal it continues to warn that the futures are vulnerable to a momentum slowdown; meaning, that although bearish, we maintain our view that the Feb contract is not considered a technical sell at these levels.

Source Bloomberg



Capesize Q2 23 (Rolling front QTR)



	Support	Resistance	Current Price	Bull	Bear
S1	13,352	R1	15,050	Stochastic oversold	RSI above 50
S2	13,150	R2	15,387		
S3	12,542	R3	16,025		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is above 50 (54)
- Stochastic is above 50
- Technically bullish last week with intraday Elliott wave analysis suggesting that downside moves should be considered as countertrend. A close below USD 13,150 would indicate that the futures were in a more complex corrective phase. Price is lower with the futures between the 8-21 period EMA's whilst the RSI is above 50.
- Downside moves that hold at or above USD 12,542 will support a bull argument, below this level technical will have a neutral bias. only below USD 11,250 is the technical bearish.
- We remain technically bullish but in a corrective phase with intraday Elliott wave analysis continuing to suggest that the current downside move looks to be countertrend. Downside moves below USD 13,125 will indicate the futures are in a more complex corrective phase, signaling USD 12,542 as the key support to follow. Upside moves that close above USD 14,350 will imply that buyside momentum is starting to strengthen, warning we could be about to enter a bullish impulse phase.

Cape Q2 3-Year Seasonality with Max/Min Values



Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	15,106	R1	16,100	RSI above 50	Stochastic overbought
S2	14,800	R2	16,742		
S3	14,384	R3	17,187		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (60)
- Stochastic is overbought
- We were a cautious bull last week as upside moves above USD 16,050 had the potential to create a negative divergence with the RSI. Seasonality and the Elliott wave cycles in the Q2 and Q3 also supported a bull argument. Price traded to a high of USD 16,100 before entering a corrective phase back down to USD 15,625.
- Downside moves that hold at or above USD 14,384 will support a near-term bull argument, below this level the technical will have a neutral bias. Only below USD 13,500 is the technical bearish.
- The futures are failing to hold above the 200-period Ma with the RSI in divergence, leaving the technical vulnerable to a downside move. However, intraday Elliott wave analysis would suggest that any downside move should be considered as countertrend at this point, making USD 14,384 the key support to follow.

