



Capesize Technical Report

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Index

The upside move in the index failed to hold last week with price trading to a new low. At USD 2,354 the downside is limited; however, market buyers will need to see price trade above USD 4,432 to confirm that the technical is bullish. The RSI is holding support, but as noted, downside movement is limited, making USD 4,432 the key level to follow.

March 23

The futures traded through key support last week with the intraday divergence failing this morning. Downside moves below USD 5,250 will create a positive divergence with the RSI, not a buy signal it does warn that we have the potential to see a momentum slowdown. However, market buyers will want to see the futures trade above USD 6,500, if we do, it will warn that resistance levels are vulnerable. A cautious bear due to the potential divergence.

Q2 23

We have conflicting momentum between the daily and intraday technical, the RSI on the daily technical is rejecting its MA, implying that daily momentum is weak, the Elliott wave cycle now has a neutral bias. However, the intraday technical is in divergence warning we have the potential to see a momentum slowdown. Upside moves above USD 13,050 will indicate momentum based on price is improving, whilst above USD 13,725 the futures will have broken fractal resistance. A neutral Elliot wave cycle warns the longer-term cycle is weakening; however, with price in divergence, we feel that USD 13,050 is the key level to follow.

Cal 24

We have seen little price movement in the last week with the Cal just USD 100 lower, we remain bullish but in a corrective phase with key support at USD 14,384. The RSI is neutral at 50 with the stochastic oversold, if the RSI can hold above 50 then momentum will be vulnerable to a test to the upside. Likewise, the MA on the RSI is starting to flatten, implying sell side momentum is weakening. Upside moves above USD 15,450 will warn the USD 16,100 fractal resistance is vulnerable.

Capesize Index



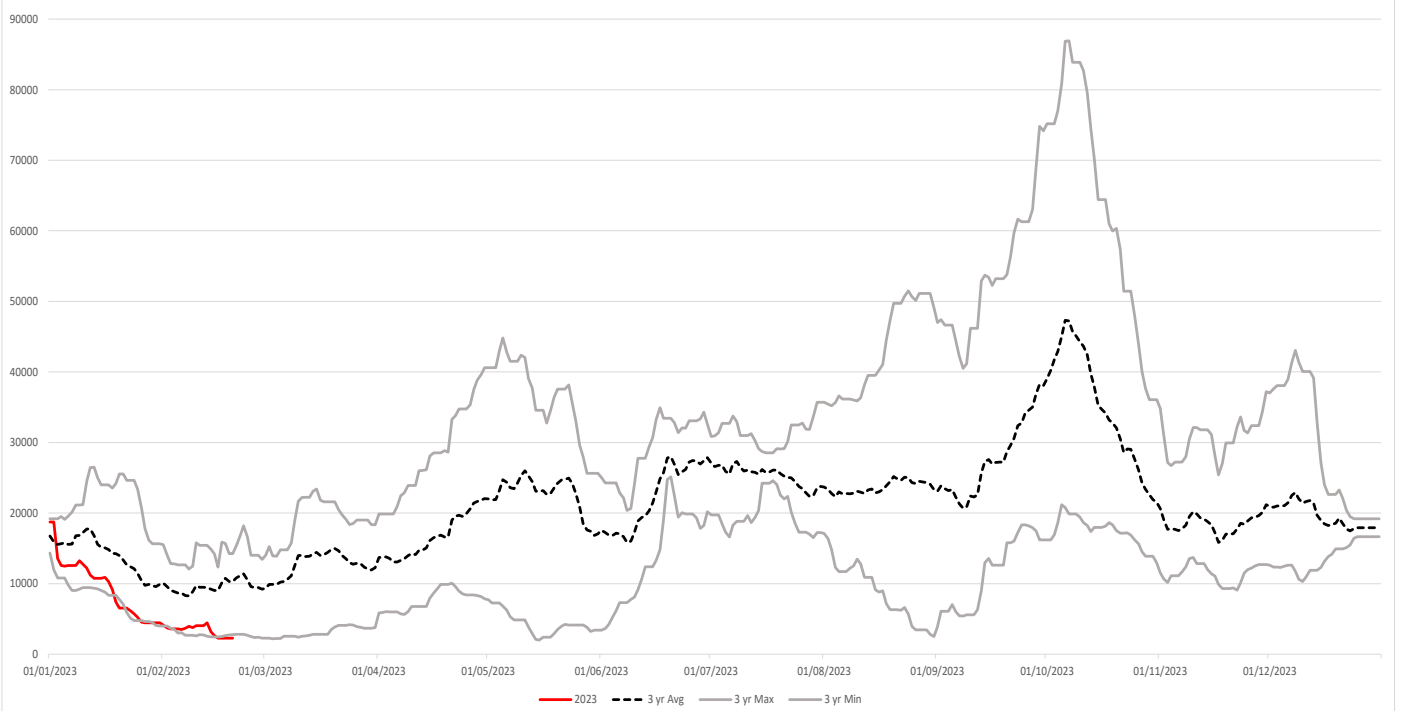
Support		Resistance		Current Price	Bull	Bear
S1	2,163	R1	3,688	2,354	Stochastic oversold	RSI below 50
S2	1,981	R2	4,432			
S3	1,807	R3	4,702			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (29)
- Stochastic is oversold
- Technically bearish last week with momentum based on price improving whilst the RSI was above its moving average, suggesting we had the potential to see further upside moves in the near-term. Key resistance remained unchanged at USD 9,917 whilst seasonality average values were moving higher. The upside moves failed to hold with price trading to a new low, we remain below all key moving averages supported by the RSI below 50.
- Momentum based on price is aligned to the sell side, a close above USD 2,649 will warn it is aligned to the buy side. Upside moves that fail at or below USD 3,688 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 4,432 will mean the technical is bullish.
- Technically bearish with the RSI currently holding support. key near-term resistance is at USD 3,688; however, market buyers will want to see price above the USD 4,432 level for confirmation that the technical has turned bullish.

Capesize Index 3-Year Seasonality Avg/max/Min



Capesize March 23 (1 Month forward)

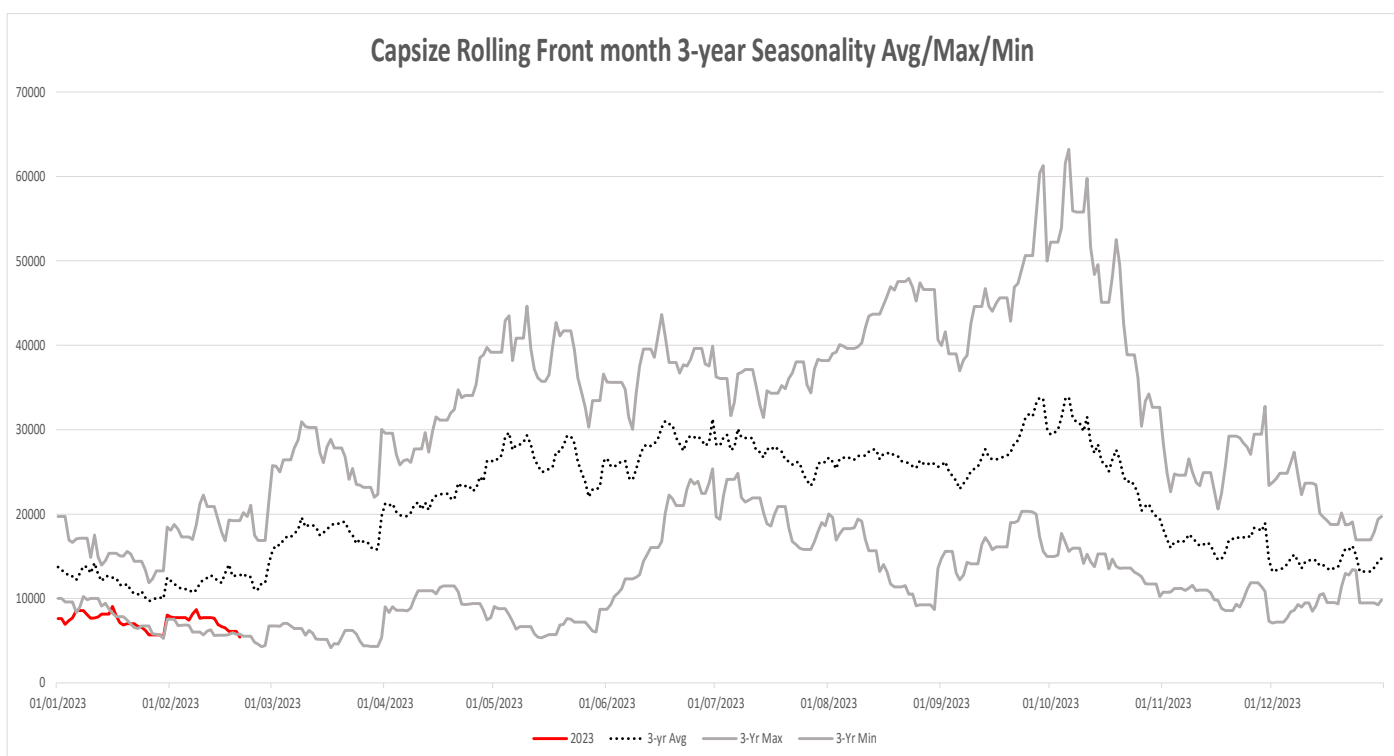


Support	Resistance	Current Price	Bull	Bear
S1	R1	5,400	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the 8-21 period EMA
- RSI is below 50 (39)
- Stochastic is oversold
- Technically bearish last week, the intraday technical was suggesting caution as we had the potential to create a positive divergence with the RSI. The futures continued to move lower with the intraday divergence failing this morning. Price is below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 7,611 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 9,125 is the technical bullish.
- Technically bearish, downside moves below USD 5,250 will create a positive divergence with the RSI, not a buy signal it does warn that we have the potential to see a momentum slowdown on a new low. Upside moves above USD 6,500 will warn that momentum based on price is starting to strengthen, implying the USD 7,611 resistance could be tested and broken.

Source Bloomberg



Capesize Q2 23 (Rolling front QTR)

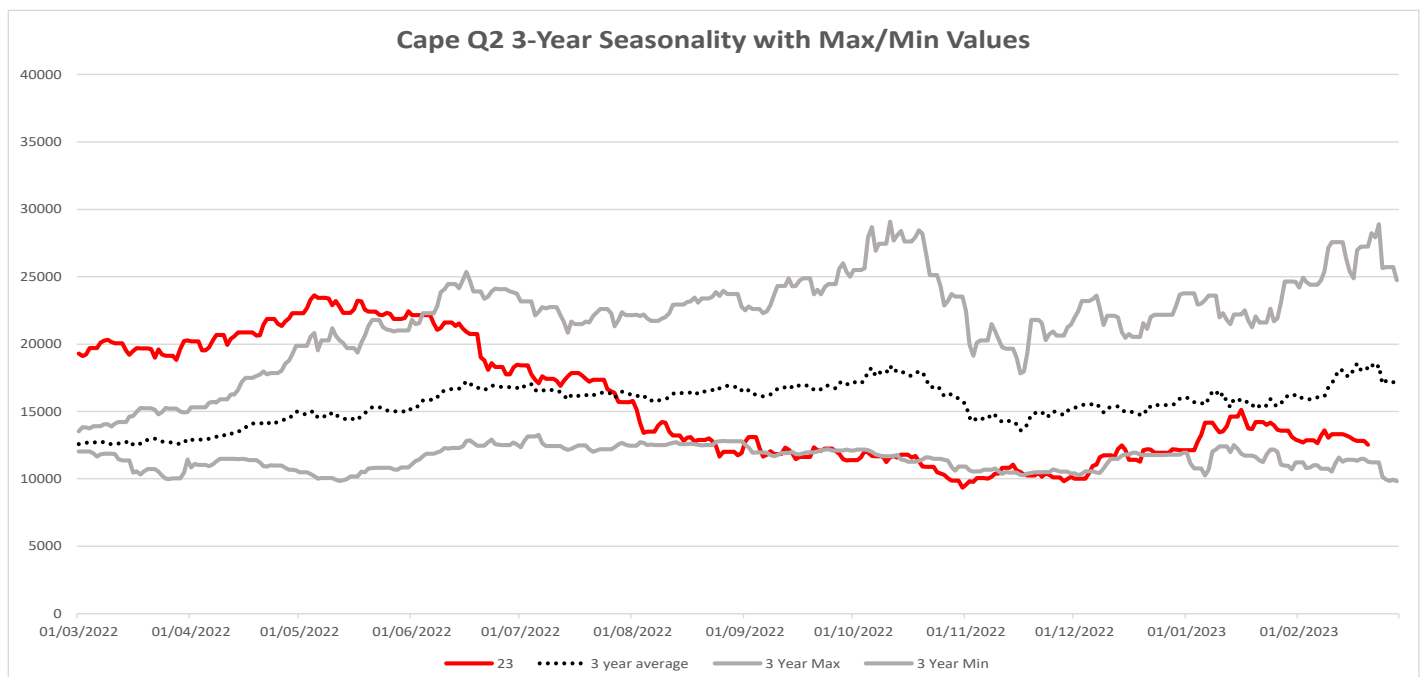


	Support	Resistance	Current Price	Bull	Bear
S1	12,118	R1	12,832		
S2	11,681	R2	13,004		RSI below 50
S3	11,125	R3	13,238		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (46)
- Stochastic is below 50
- Technically bullish last week having breached the USD 13,721 resistance, the upside move failed to hold resulting in the futures trading below the USD 12,542 level, the Elliott wave cycle now has a neutral bias, with the futures looking like we are in a complex corrective phase. Price is below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 13,238 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 13,725 fractal resistance.
- The futures remain in a corrective phase with the RSI rejecting its moving average, warning momentum remains weak at this point; however, momentum on the intraday technical is conflicting, as it is in divergence, not a buy signal it is warning that we have the potential to see a momentum slowdown, making USD 13,238 the key resistance to follow. Upside moves above USD 13,050 will warn that momentum based on price is improving, whilst above USD 13,725 the futures will be above the fractal resistance, meaning market buyers will look to test the USD 14,350 and USD 15,050 resistance levels.



Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	14,800	R1	14,900	RSI above 50	
S2	14,384	R2			
S3	14,056	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is at 50 (50)
- Stochastic is below 50
- We remained technically bullish with price in a corrective phase last week. If the RSI could hold above 50 then momentum remained vulnerable to a test to the upside. Key support remained unchanged at USD 14,384 with Elliott wave analysis continuing to suggest that downside moves should be considered as countertrend. Very little movement in the last week with price USD 100 lower, the futures are below the 8-21 period EMA's with the RSI below 50.
- 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 (Unchanged).
- The futures have started to consolidate with the RSI neutral at 50 whilst the EMA's are flat, indicating a lack of trend in the market. The technical is bullish but in a corrective phase with price holding above key support. The MA on the RSI is starting to flatten, suggesting that sell side momentum is slowing down, meanwhile the stochastic is oversold; the RSI/MA combination continues to suggest the futures are vulnerable to a test to the upside, providing the RSI holds above 50. Upside moves above USD 15,450 will warn that the USD 16,100 fractal resistance is vulnerable.

