



# Capesize Technical Report

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## Index

We continue to move lower with the MA on the RSI indicating momentum remains weak. The move below USD 15,742 means the USD 13,655 fractal support is vulnerable, if broken it will imply that we are in a complex corrective phase, warning Fibonacci support levels could come under pressure. Likewise, upside moves above the USD 16,928 fractal resistance will support a buyer's argument.

## May 23

Technically bullish with a neutral bias, the downside move below USD 19,300 is warning that Fibonacci support levels could come under pressure. The RSI has rejected its MA, signaling momentum remains weak. However, countering this, we do have a positive divergence on the intraday 1-hour chart warning we have the potential to see a momentum slowdown. A conflicting technical in terms of momentum, suggesting caution on downside moves at this point.

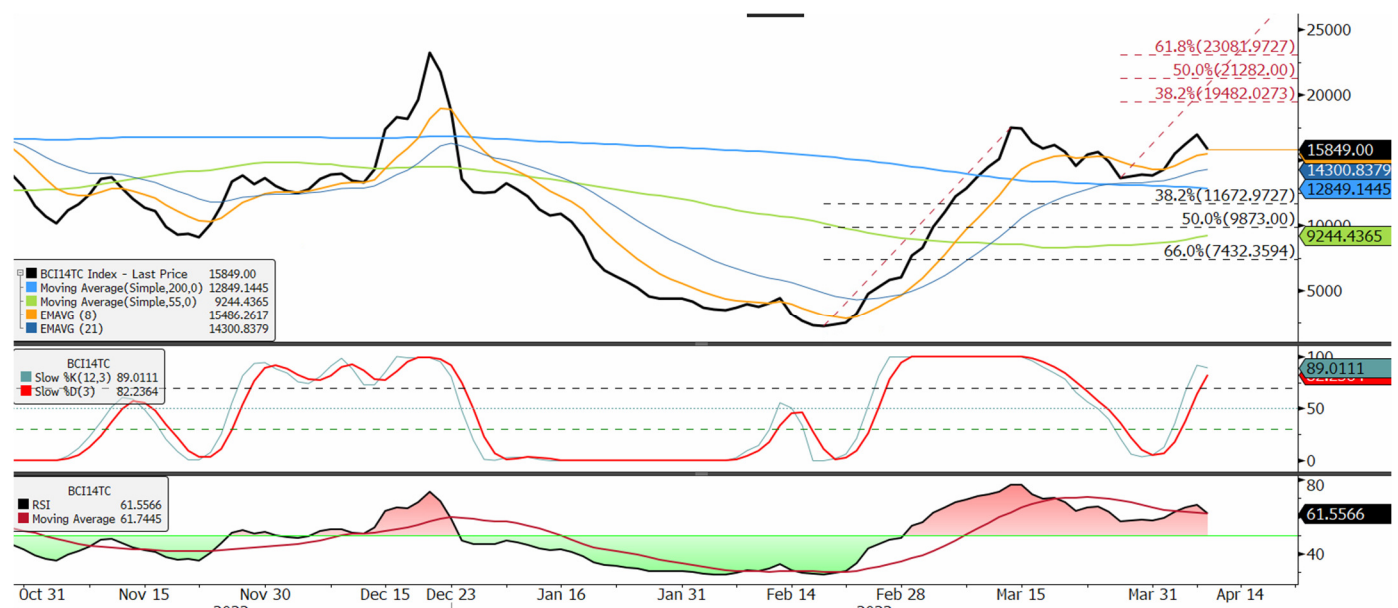
## Q3 23

The futures remain technically bullish with a neutral bias, Elliott wave analysis continues to warn that we could be about to enter a countertrend wave 4. The MA on the RSI remains weak meaning support levels are vulnerable, we also have a potential bearish head and shoulders pattern forming that needs to be monitored. Upside moves above USD 23,750 will support a bull argument whilst above USD 24,375 would indicate we are seeing some form of wave extension.

## Cal 24

The technical is unchanged from last week, we remain a cautious bull with near-term support at USD 16,200, if broken it will warn that the USD 15,875 triple support could come under pressure. As highlighted last week, if we hold it could attract fresh buyers to the market, but if broken the USD 15,423 Fibonacci support become vulnerable.

# Capesize Index

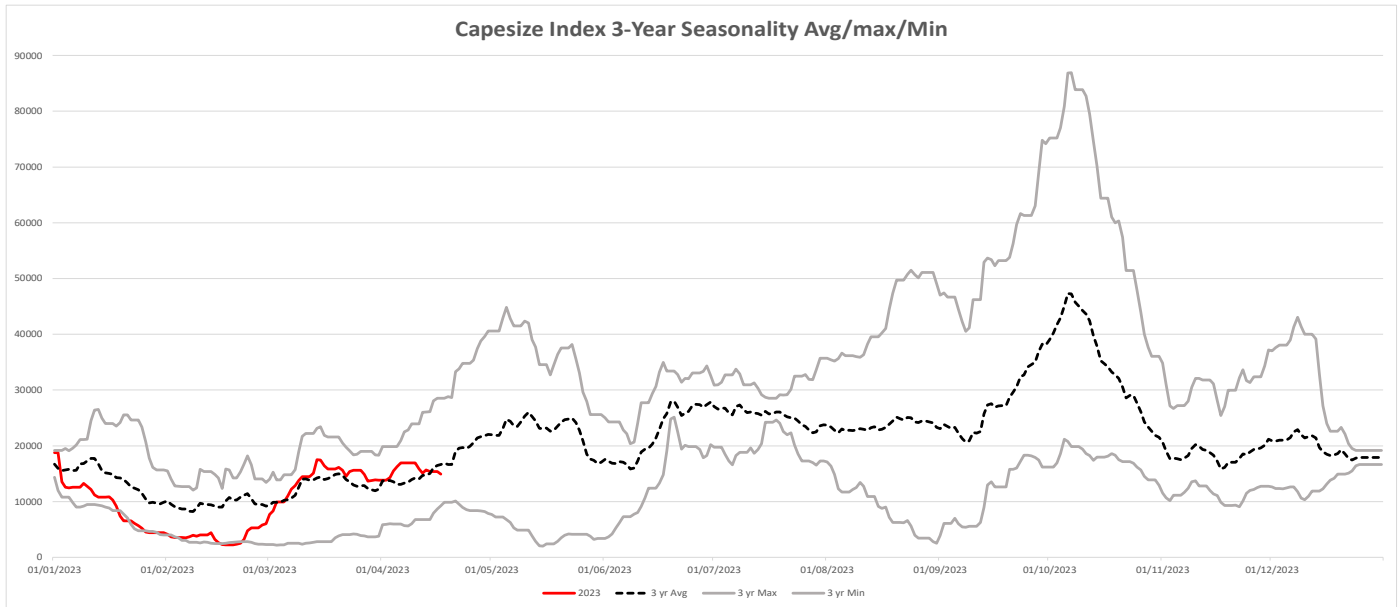


	Support	Resistance	Current Price	Bull	Bear
S1	13,655	R1	17,500	RSI above 50	
S2	11,672	R2	19,482		
S3	9,873	R3	21,282		

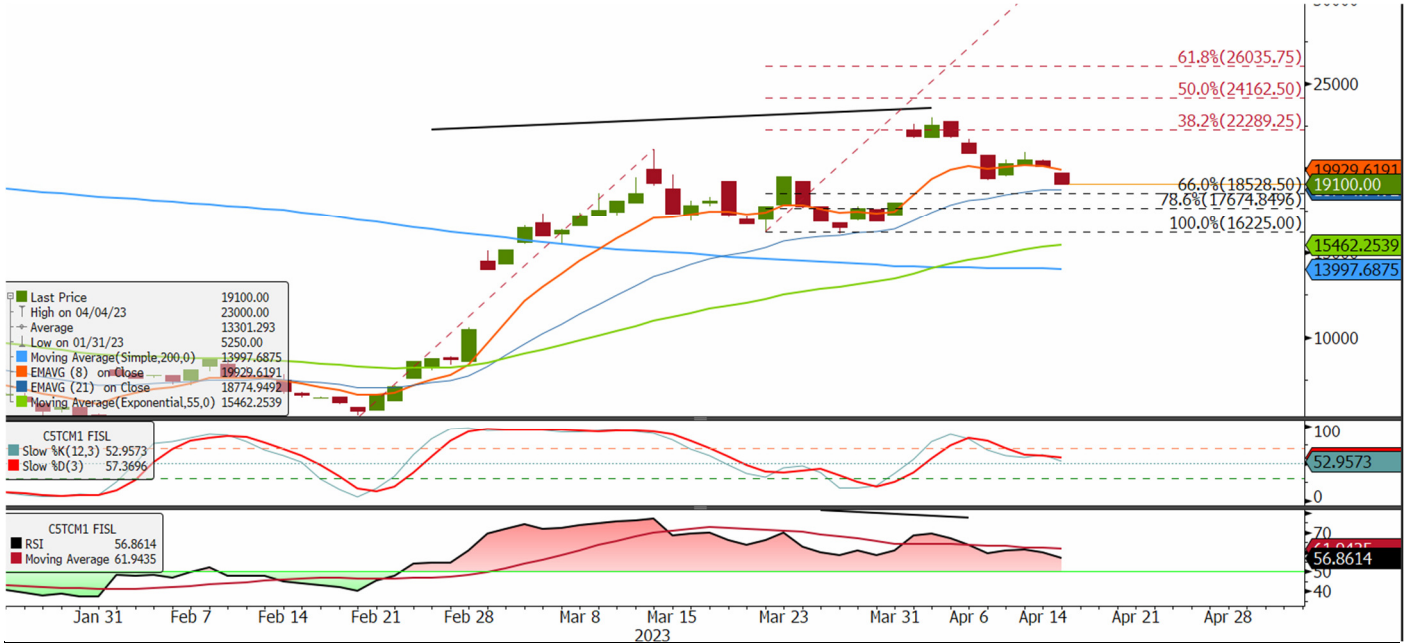
## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is above 50
- We remained technically bullish but had failed to make a new high last week. The MA on the RSI continued to warn that momentum was weak; however, seasonality remained bullish with the RSI holding above 50, warning we could see another test to the upside. A close below USD 15,742 would warn that the USD 13,655 support could be vulnerable, if broken the Fibonacci support zone could come under pressure. The index continues to move lower with price now between the 8-21 period and below the USD 15,742 level, the RSI is still above 50.
- Momentum based on price is aligned to the sell side, a close above USD 15,492 will mean it is aligned to the buy side. Downside moves that hold at or above USD 7,432 will support a bull argument, below this level the technical will have a neutral bias.
- The index continues to move lower with the MA on the RSI indicating momentum remains weak at this point, the move below USD 15,742 is warning that support levels remain vulnerable, if the USD 13,655 fractal support is broken it will suggest we are in a complex corrective phase, warning that the Fibonacci support zone could be tested. Likewise, upside moves above USD 16,928 will support a buyer's argument.



# Capesize May 23 (1 Month forward)

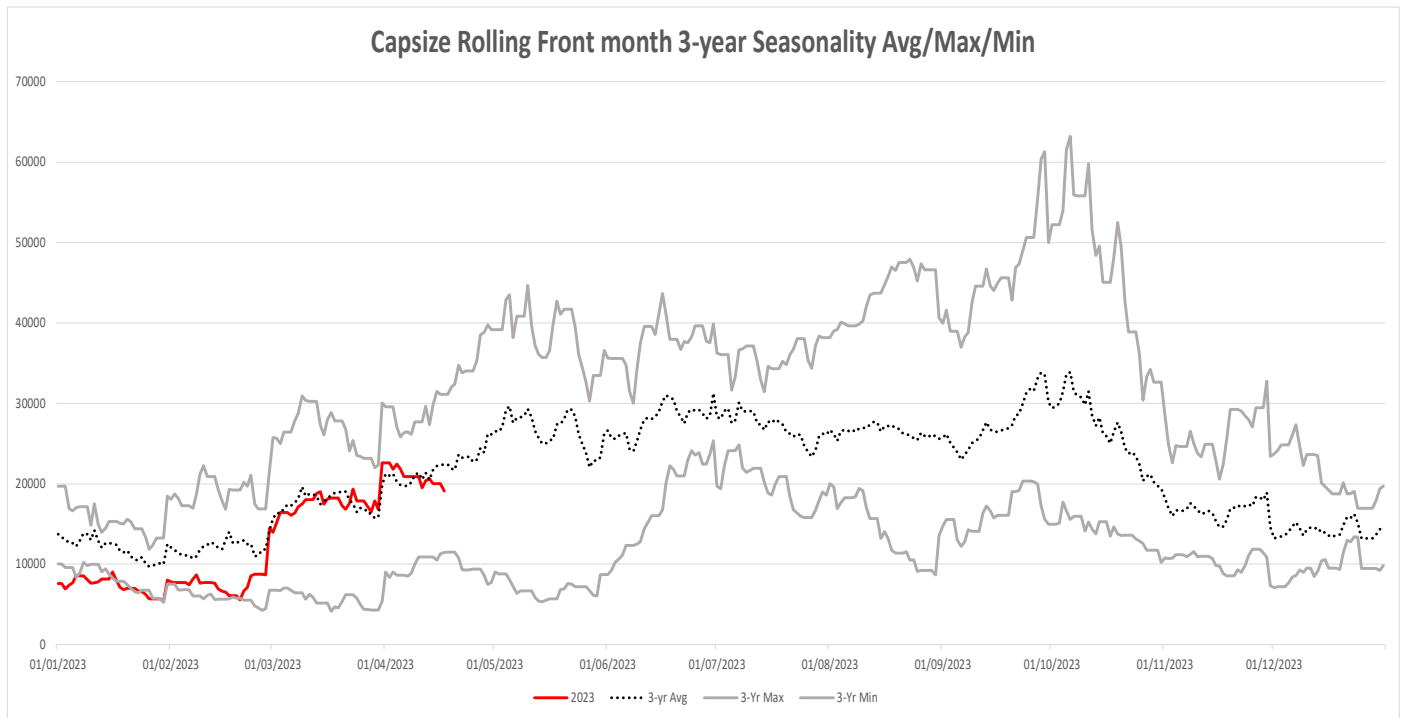


Support		Resistance		Current Price	Bull	Bear
S1	18,528	R1	21,000	19,100	RSI above 50	
S2	17,674	R2	22,289			
S3	16,225	R3	24,162			

## Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is above 50
- A cautious bull last week as price was moving lower on the back of a negative divergence with the RSI, whilst the MA on the RSI suggested that momentum was turning neutral. Seasonality supported a move higher as did the intraday Elliott wave cycle; however, we were conscious that the intraday wave cycle would have been distorted by the roll. Key support to follow was at USD 18,528. Price continues to move lower with the futures between the 8-21 period EMA's with the RSI still above 50.
- Downside moves that hold at or above USD 18,528 will support a bull argument, below this level the technical will have a neutral bias. only below USD 16,225 is the technical bearish.
- The futures remain bullish with a neutral bias, the downside move below the USD 19,300 fractal support is warning that Fibonacci support levels could come under pressure. The RSI has rejected its MA implying momentum is still weak. However, we are in divergence on the intraday 1-hour technical, warning we have the potential to see a momentum slowdown, suggesting caution on this downside move as momentum indicators are giving conflicting signals at this point. Upside moves that trade above the USD 21,000 level will leave resistance levels vulnerable.

Source Bloomberg



# Capesize Q3 23 (Rolling front QTR)

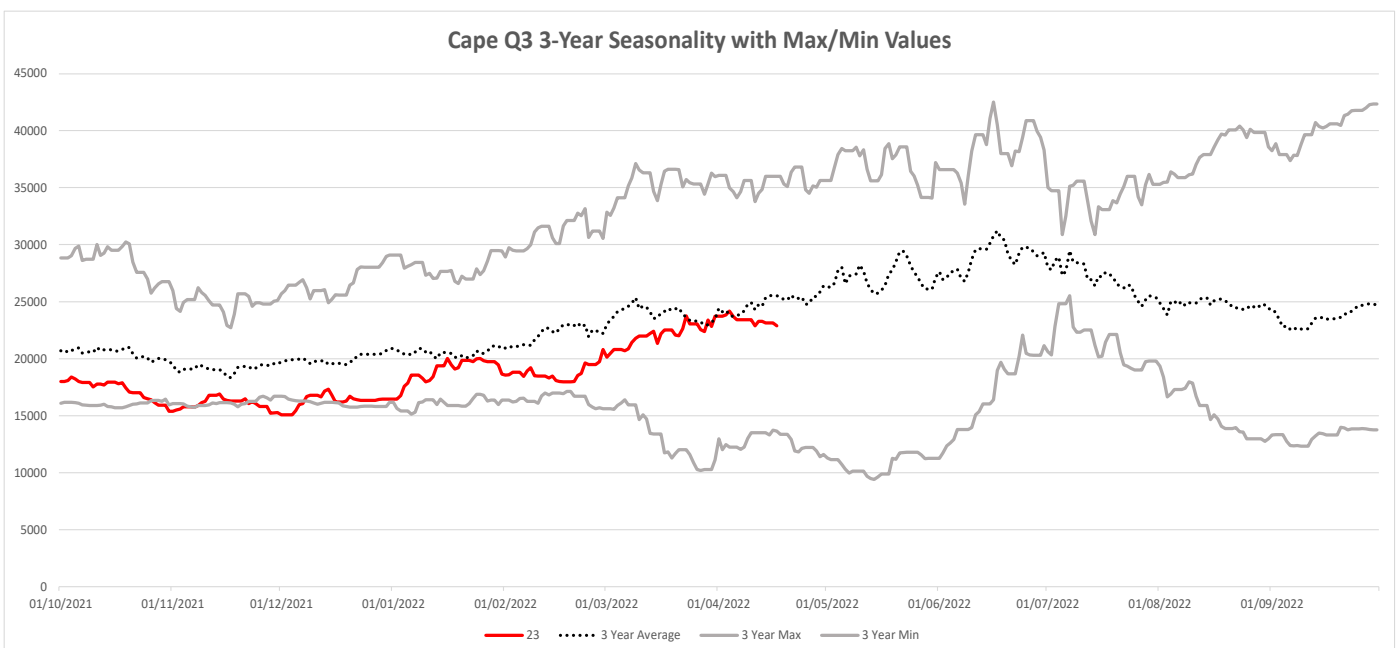


	Support	Resistance	Current Price	Bull	Bear
S1	22,890	R1	23,750	RSI above 50	
S2	22,125	R2	24,375		
S3	21,175	R3	25,694		

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is above 50 (56)
- Stochastic is below 50
- Technically bullish with a neutral bias last week, the deep pullback continued to warn that we could be about to enter a countertrend wave 4. However, confirmation would only come from a break in fractal support (USD 22,125), meaning we remained a cautious bull, as support levels were starting to look vulnerable. Upside moves above USD 24,375 would indicate we were seeing an Elliott wave extension. We did see a small test to the upside that has failed to hold, with price trading back at least weeks levels. The futures are between the 8-21 period EMA with the RSI above 50.
- The futures did trade back below the USD 22,890 support today, meaning the technical although bullish continues to have a neutral bias, below USD 22,125 the technical is bearish.
- Technically bullish with a neutral bias, as previously noted, we are potentially about to enter a countertrend wave 4. The MA on the RSI suggests that momentum is weak, meaning support levels are vulnerable. Upside moves above USD 23,750 will support a bull argument, whilst above USD 24,375 would mean we could be seeing some form of wave extension. We should also note that there is a small bearish head and shoulders pattern forming, which would fit our expectations that the futures could be about to enter an Elliott wave 4.



# Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	15,787	R1	16,850	RSI above 50	
S2	15,423	R2	16,925		
S3	15,136	R3	17,060		

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is above 50 (54)
- Stochastic is below 50
- A cautious bull last week as the failure to trade to a new high warned that support levels were starting to look vulnerable. Downside moves below USD 15,785 will break a triple support level, warning that the USD 15,423 support could be tested and broken. However, if we hold above the USD 15,423 level, we could potentially see market bulls re-enter on the buy side. Sideways action for the last few days with price having a small test to the upside which failed to hold. The futures are between the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 15,423 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 14,650 is the technical bearish (unchanged).
- Little has changed on the technical in the last week. Technically we remain a cautious bull with near-term fractal support at USD 16,200, if broken it will warn that the USD 15,785 triple support could come under pressure. Like last week, this is a key level, if broken the USD 15,423 level has the potential to be tested.

