



Capesize Technical Report

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Index

We continue to move higher with momentum based on price still aligned to the buy-side; however, the technical itself remains bearish with key resistance at USD 17,543. The MA on the RSI continues to suggest that momentum remains weak, implying resistance levels could hold in the near-term. As noted last week, with the RSI making new lows we remain cautious on upside moves, as they have the potential to be countertrend.

July

Technically bearish the futures have created a small symmetrical triangle, suggesting we have a bit of a neutral bias at this point (this could of course form a bearish flag). Intraday Elliott wave analysis continues to imply that upside moves have the potential to be countertrend, for this reason we remain cautious on upside moves. However, it is worth highlighting that 3-year average values (seasonality) remain bullish until around the 18/06.

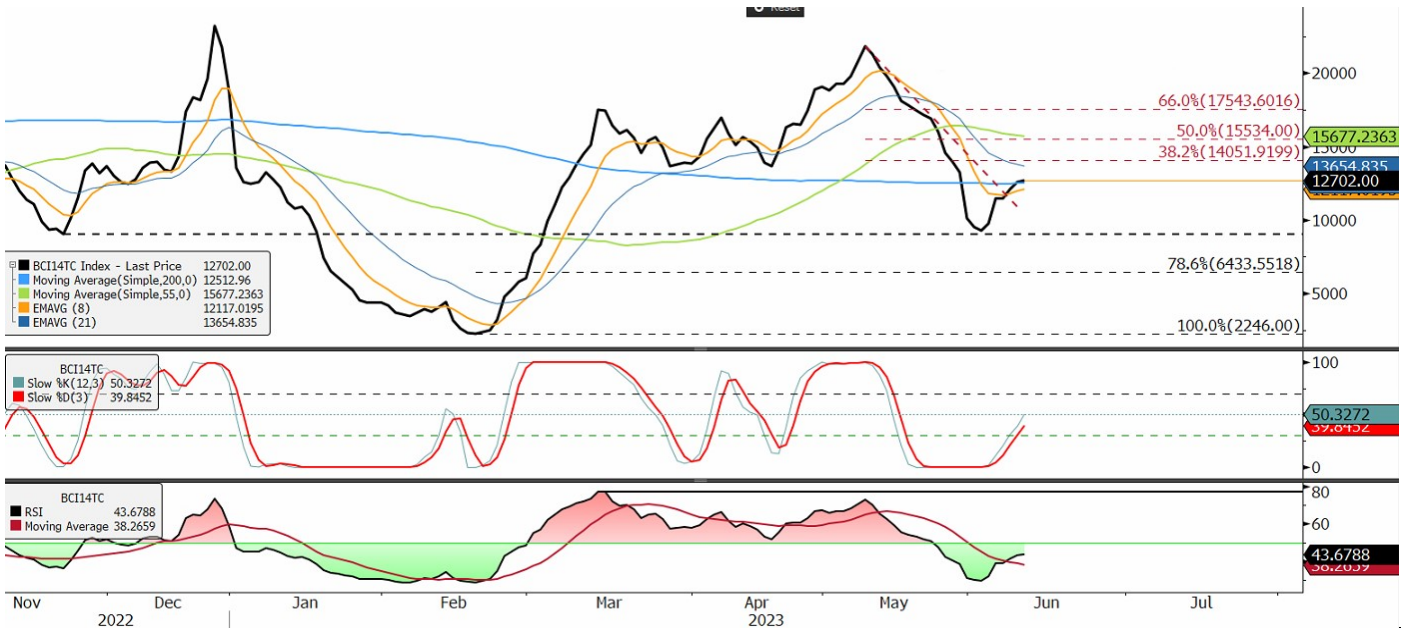
Q3

The futures remain in a bearish trending environment with price now in the Fibonacci support zone; however, we remain above the USD 16,550 level. If broken, then the USD 15,250 low will become vulnerable, if it holds, it will support a near-term bull argument. Like the rest of the complex, our intraday Elliott wave analysis would suggest that upside moves have the potential to be countertrend, suggesting caution on moves higher.

Cal 24

We remain technically bearish with the futures rejecting the USD 15,125 Fibonacci resistance. Intraday Elliott wave analysis does suggest that upside moves have the potential to be countertrend; however, the MA on the RSI is moving higher, warning near-term momentum is looking supported. Countering this, seasonality would suggest that we have the potential to move lower, which is in line with our wave cycle, suggesting caution on upside moves.

Capesize Index

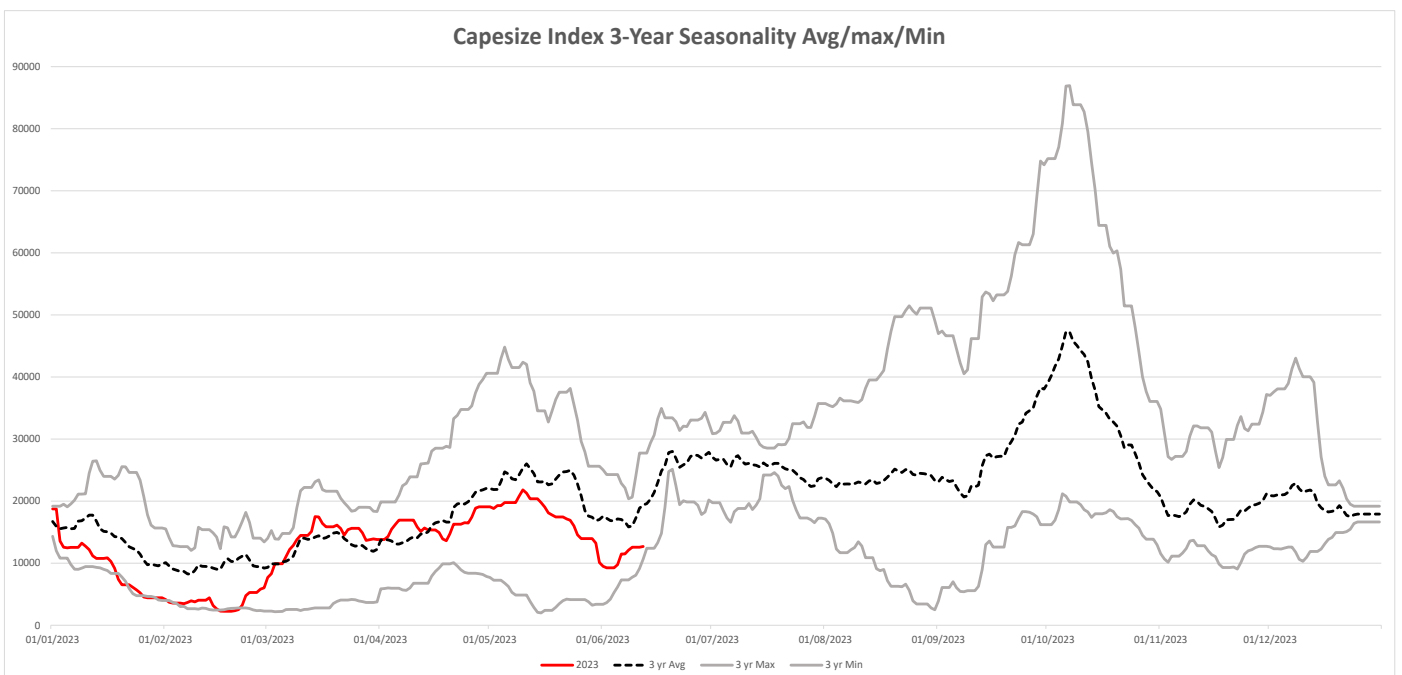


	Support	Resistance	Current Price	Bull	Bear
S1	9,257	R1	14,051		RSI below 50
S2	9,057	R2	15,534		
S3	6,433	R3	17,543		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is below 50
- Technically bearish on the last report, the MA on the RSI suggested that momentum remained weak; however, we were seeing early warning signs that the MA on the RSI could soon start to flatten, suggesting sell side momentum was slowing down in the near-term. Momentum based on price was aligned to the buyside, but with the RSI making new lows it suggested that resistance levels should in theory hold in the near-term if tested. We have seen a move higher in the index, with price now testing the 200-period MA, the futures are between the 8 – 21 period EMA's with the RSI below 50.
- Momentum based on price is still aligned to the buyside, a close below USD 11,746 will mean it is aligned to the sell side. Upside moves that fail at or below USD 17,543 will leave the index vulnerable to further tests to the downside, above this level we have a neutral bias.
- Technically bearish, the MA on the RSI continues to suggest that momentum is weak, implying resistance levels should in theory hold if tested. As noted on the last report, with the RSI making new lows, we remain cautious on this upside move as they have the potential to be countertrend.



Capesize July 23 (1 Month forward)

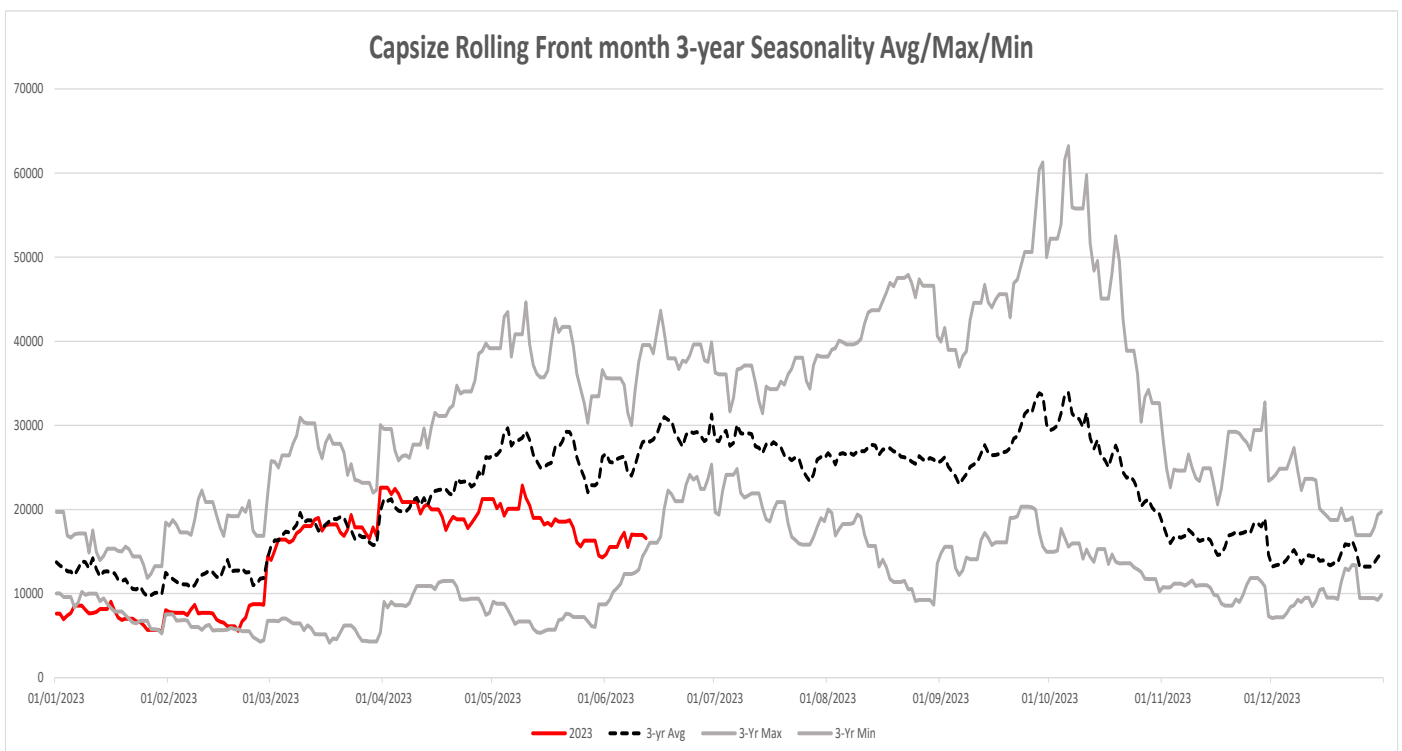


	Support	Resistance	Current Price	Bull	Bear
S1	15,500	R1	18,250		RSI below 50
S2	14,820	R2	19,810		
S3	14,284	R3	21,038		

Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is above 50
- We noted on the report last week that the front month Elliott wave cycle may not have completed, suggesting the recent upside move was potentially countertrend. The futures have started to consolidate with price around USD 500 lower, we remain below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 19,810 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish with key resistance at USD 19,810, intraday Elliott wave analysis continues to suggest that upside moves are potentially countertrend. Price is consolidating with the futures creating a small symmetrical triangle, meaning we have a neutral bias creeping into the technical. Based on the intraday Elliott wave cycle, we remain cautious on upside moves at this point. We should note that 3-year average values on the seasonality chart remain bullish until around the 18/06.

Source Bloomberg



Capesize Q3 23 (Rolling front QTR)

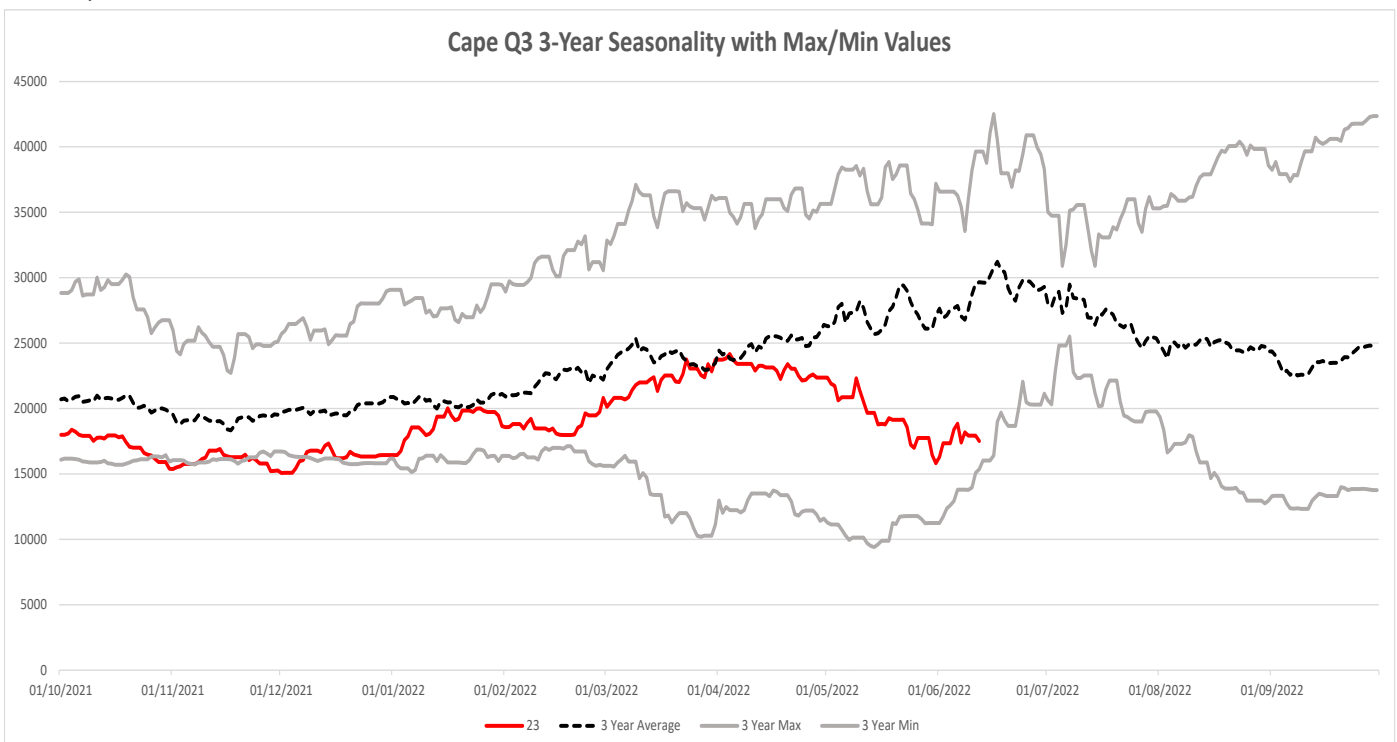


	Support	Resistance	Current Price	Bull	Bear
S1	17,612	R1	18,825		
S2	16,550	R2	19,969		RSI below 50
S3	16,068	R3	20,869		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (42)
- Stochastic is above 50
- Technically bearish on the last report, we noted that the futures had seen a wave 3 extension, suggesting the upside move we had seen was potentially countertrend, making USD 19,969 the key resistance to follow. The rejection candle on the last report has been followed by a small move lower, price is now below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 19,969 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are now trading in the Fibonacci support zone; however, we remain above the USD 16,550 level. If broken it will warn that the USD 15,250 support could come under pressure; likewise, if it holds it will support a near-term bull argument. Intraday Elliott wave analysis continues to suggest that upside moves are potentially countertrend at this point.



Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	14,027	R1	15,125		
S2	13,650	R2	15,597		RSI below 50
S3	13,272	R3	15,968		

Synopsis - Intraday

Source Bloomberg

- Price is between/below the 8-21 period EMA
- RSI is below 50 (44)
- Stochastic is above 50
- Like the Q3 last week, we had seen an extended Elliott wave 3 to the downside, suggesting upside moves could potentially be countertrend, making USD 15,597 the key resistance to follow. We also highlighted an overbought stochastic whilst the RSI was below 50, which warned we could see a test to the downside providing the RSI stayed below 50. We have seen a small move lower with the futures now starting to trade below the shorter-term EMA's.
- Upside moves that fail at or below USD 15,597 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, we maintain our view that upside moves look to potentially be countertrend based on our intraday Elliott wave analysis. However, we should note that the MA on the RSI is moving higher, suggested near-term momentum is supported; countering this, 3-year seasonality values look like they could be about to turn lower, in line with our wave analysis.

