



Capesize Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Index

We remain technically bearish with momentum based on price now aligned to the sell side, the signal was only confirmed today, meaning we will need to move lower tomorrow for confirmation. We have a confliction between price and momentum as the MA on the RSI continues to suggest we are supported; however, price is in the process of rejecting the USD 17,543 resistance, warning support levels are vulnerable, making USD 14,018 the key level to follow.

July 23

Technically bearish last week the futures were vulnerable to a move higher in the near-term. The upside move failed to hold resulting in the futures trading back below last weeks values. The USD 14,925 fractal support is now vulnerable, if broken we target the USD 13,375 low. We remain bearish supported by the Elliott wave cycle; however, if we do trade above USD 19,250 it will break a key intraday fractal, warning the bearish cycle could be failing.

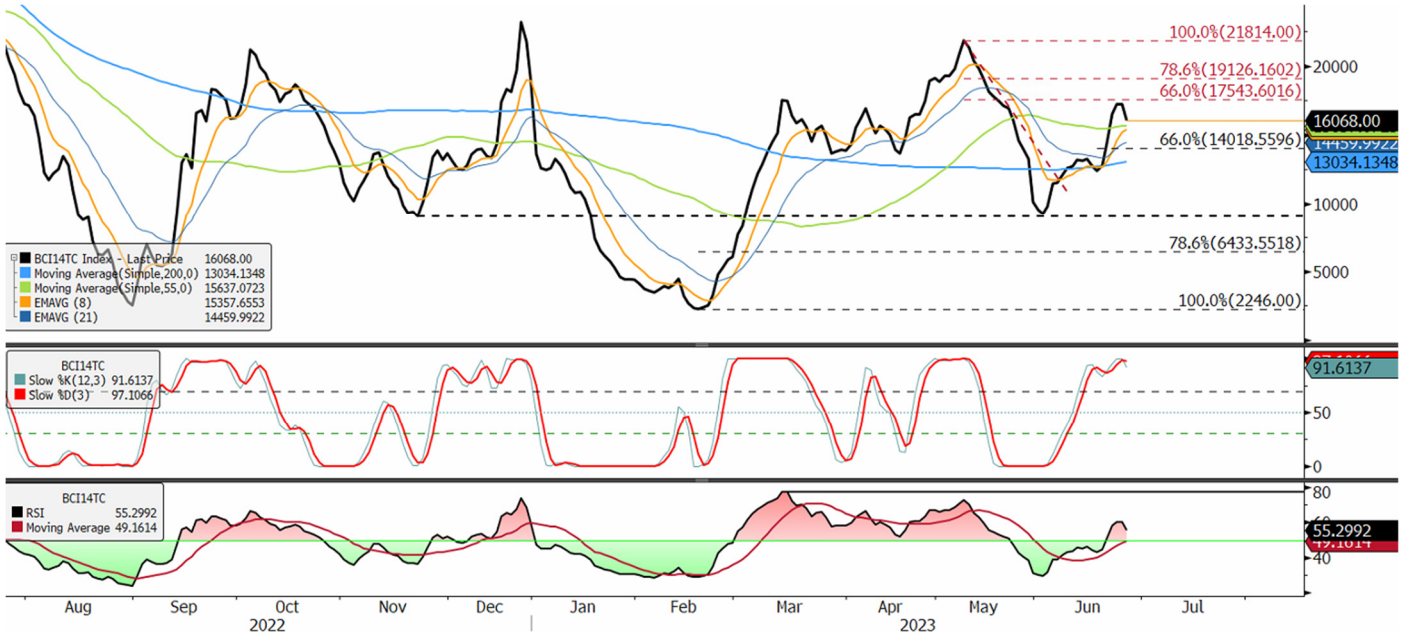
Q3 23

Having held above USD 16,550 last week we noted that the futures were vulnerable to a move higher in the near-term, in what looked to be a countertrend move based on our Elliott wave analysis. We did move higher but failed to hold, resulting in price moving lower, the break in the USD 16,650 fractal support is warning the USD 15,250 low is now vulnerable. Elliott wave analysis continues to suggest that upside moves look to be countertrend, whilst using the William's method we now have a potential downside target at USD 13,435.

Cal 24

Resistance levels were vulnerable in the near-term last week as momentum was supported; however, Elliot wave analysis continued to suggest that upside moves looked to be countertrend. We did see a move higher, but it failed to hold, resulting in the futures trading below the USD 14,300 fractal support, suggesting the USD 13,650 low is now vulnerable. Elliott wave analysis continues to suggest that upside moves look like they could be countertrend.

Capesize Index

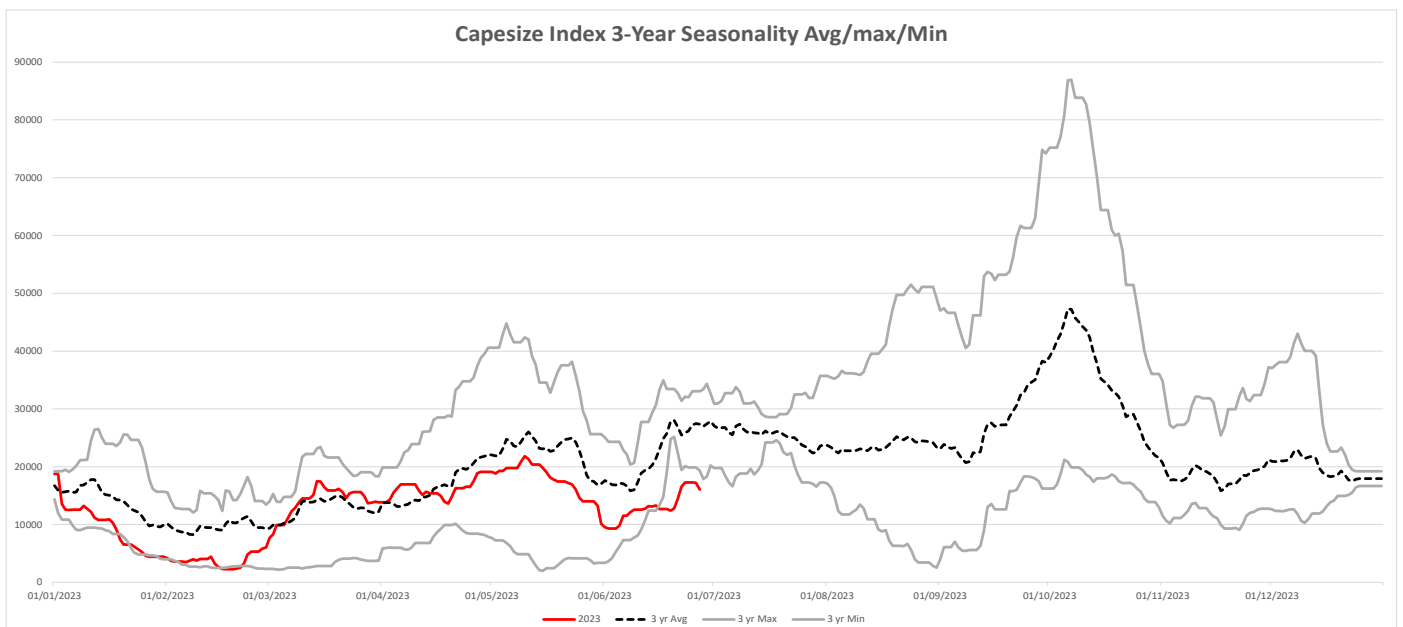


	Support	Resistance	Current Price	Bull	Bear
S1	14,018	R1	16,068	RSI above 50	Stochastic overbought
S2	12,375	R2			
S3	9,254	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Technically bearish last week with price starting to move higher. We had conflicting momentum signals, as the RSI was below 50 with the stochastic overbought, warning we were vulnerable to a move lower. However, the MA on the RSI was turning higher, implying sell side momentum was slowing down. Resistance did look vulnerable in the near-term but the move lower on the RSI continued to suggest that upside moves could potentially be countertrend, suggesting caution on moves higher. We did move higher into the Fibonacci resistance zone but have since started to correct, the index is above all key moving averages supported by the RSI above 50.
- Having been aligned to the buy side, momentum based on price is back aligned to the sell side, a close above USD 12,292 will mean it is aligned to the buy 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.
- The index is currently rejecting the USD 17,543 resistance, warning support levels are vulnerable, downside moves that hold at or above USD 14,018 will support a near-term bull argument, below this level the USD 9,252 fractal support is vulnerable. The MA on the RSI continues to suggest that momentum is supported in the near-term, making USD 14,018 the key support to follow; however, the rejection of the USD 17,543 would suggest caution on upside moves.



Capesize July 23 (1 Month forward)

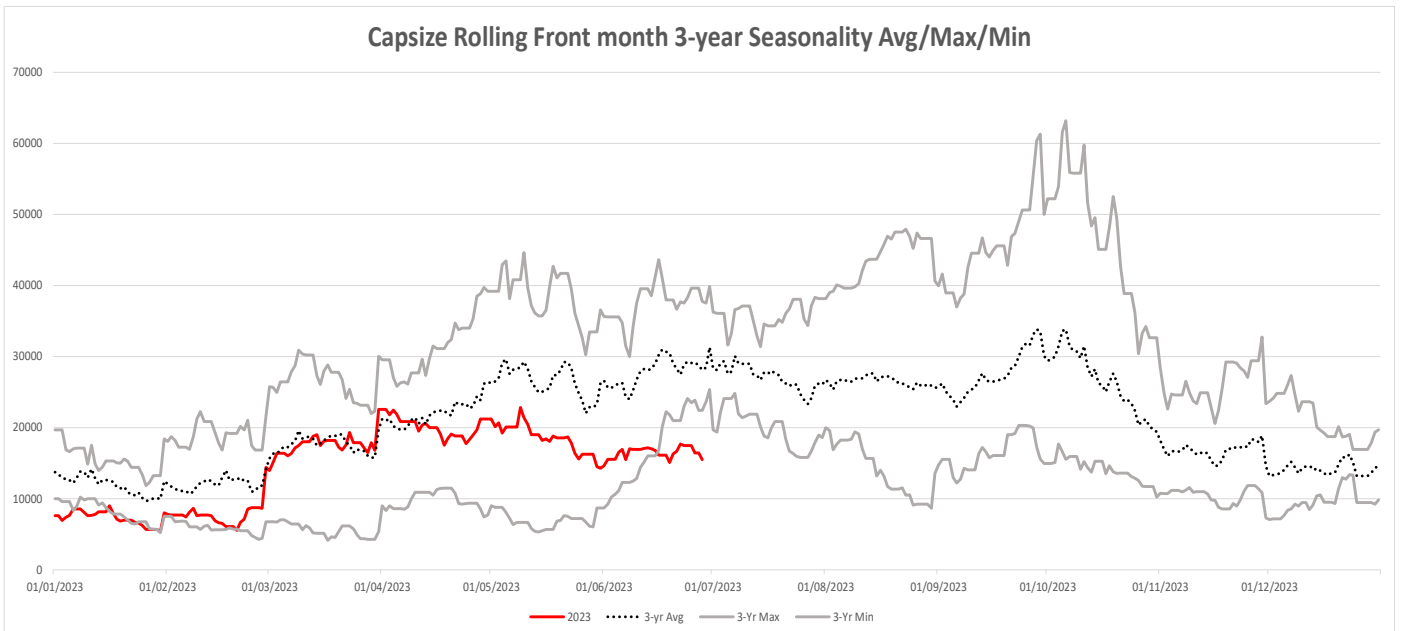


	Support	Resistance	Current Price	Bull	Bear
S1	14,947	R1	18,125		
S2	14,364	R2	18,250	16,150	RSI below 50
S3	13,375	R3	19,250		

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is above 50
- Technically bearish last week with upside moves considered as countertrend based on the intraday Elliott wave cycle, the downside move below 14,947 warned that support levels remained vulnerable. Key resistance on the daily chart was at USD 19,810; however, if we did trade above USD 19,250 it would break a key fractal on the intraday, warning the Elliott wave cycle could be failing. We had a conflict between daily price and intraday momentum, as we had a bullish takeover candle on the daily chart whilst the intraday MA on the RSI was implying that momentum remained weak. We were cautious bear over the coming few days, as a close above USD 15,750 today (20/06/23) suggested that we could move higher in the very near-term. The futures traded to a high of USD 18,125 before trading back below last weeks values. Price is below the 8-21 period EMA's supported by 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. This level has been rejected.
- Technically bearish, our intraday Elliott wave analysis continues to suggest that upside moves should be considered as countertrend at this point. The recent downside move implies that the USD 14,925 fractal support is now vulnerable. If broken, we target the USD 13,375 low from the 31/05/23, as noted last week, upside moves above USD 19,250 will warn that the bearish Elliott wave cycle is potentially failing.

Source Bloomberg



Capesize Q3 23 (Rolling front QTR)

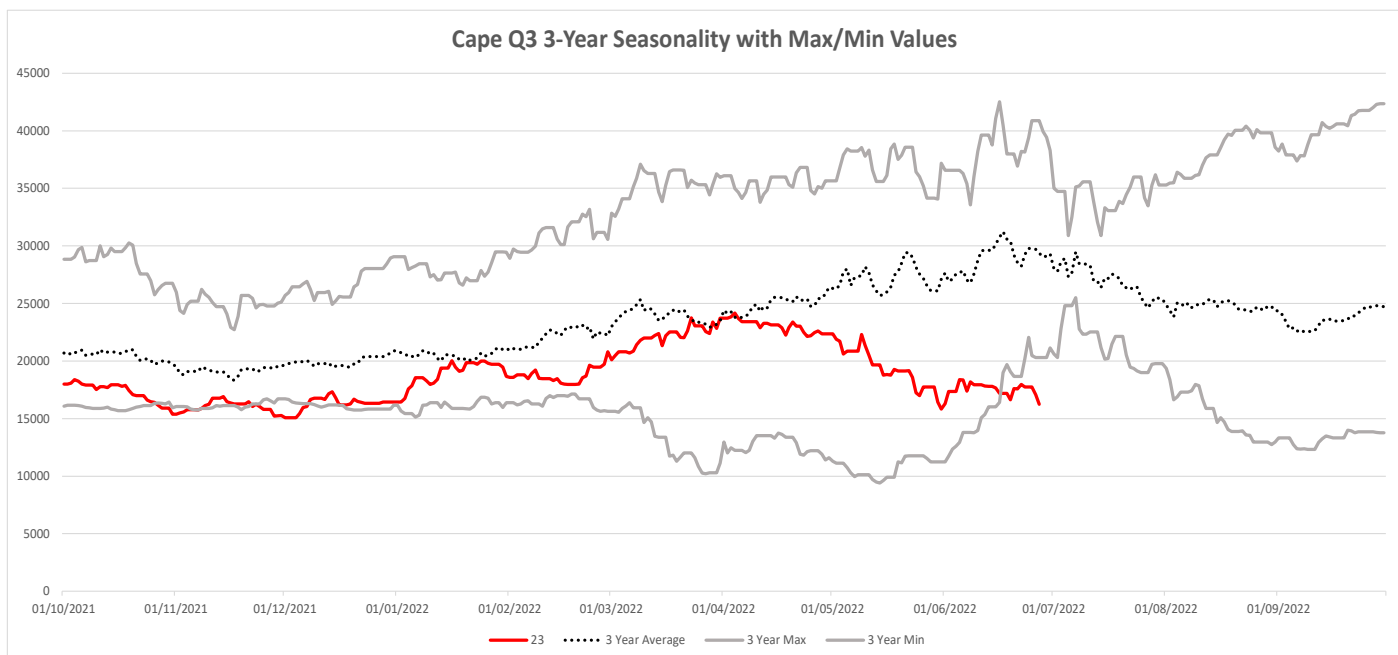


	Support	Resistance	Current Price	Bull	Bear
S1	15,589	R1	16,350		RSI below 50
S2	14,512	R2			
S3	13,435	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (39)
- Stochastic is at 50
- We were technically bearish last week with Elliott wave analysis suggesting that upside moves were potentially countertrend, this was supported by the RSI which had made a new low on the 31/05. However, the futures were holding above the USD 16,550 level, supporting a near-term bull argument whilst the MA on the RSI was sloping higher. The takeover candle warned that resistance levels were vulnerable in the near-term. Providing we closed above USD 17,250. The futures produced the bullish close resulting in price trading to a high of USD 18,425 before entering back into a corrective phase. Price is 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. (Unchanged).
- Technically bearish, the downside moves below USD 16,650 is now warning that the USD 15,250 fractal low could be tested and broken. Intraday Elliott wave analysis continues to suggest that upside moves look to be countertrend, whilst using the William's method of price projection we have a potential downside target as low as USD 13,435. However, we should note that below USD 15,250 the minimum requirement for phase/cycle completion will have been achieved.



Capesize Cal 24



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

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (39)
- Stochastic is above 50
- The longer-term Elliott wave cycle remained bearish last week; however, we continued to see momentum supported, warning resistance levels remained vulnerable in the near-term, providing we closed above USD 14,550 today (20/06/23). The futures did move higher but failed to hold above the 200-period MA, resulting in price moving lower in line with the Elliott wave cycle. Price is below all key moving averages supported by the RSI below 50.
- 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. (Unchanged).
- Technically bearish, the futures are moving lower in line with the Elliott wave cycles having broken the USD 14,300 fractal support, suggesting the USD 13,650 fractal low is now vulnerable. Upside moves are still considered as countertrend at this point, we now have a potential downside target at USD 13,272 based on the William's method.

