



Capesize Technical Report

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Index

Technically bearish with price breaking the USD 12,375 fractal level last week, supporting a seller's argument. However, we have seen light bid support with momentum based on price now aligned to the buy-side, another move higher tomorrow will confirm the signal, as the index crossed a short period average today. If we do, then resistance levels could be vulnerable in the near-term, making USD 15,545 the key resistance to follow.

August 23

The futures did break the USD 13,375 fractal low last week, resulting in a positive divergence and a subsequent move higher in the near term. However, intraday Elliott wave analysis would suggest that upside moves are potentially countertrend, meaning we continue to target USD 12,099 as a possible downside target at this point.

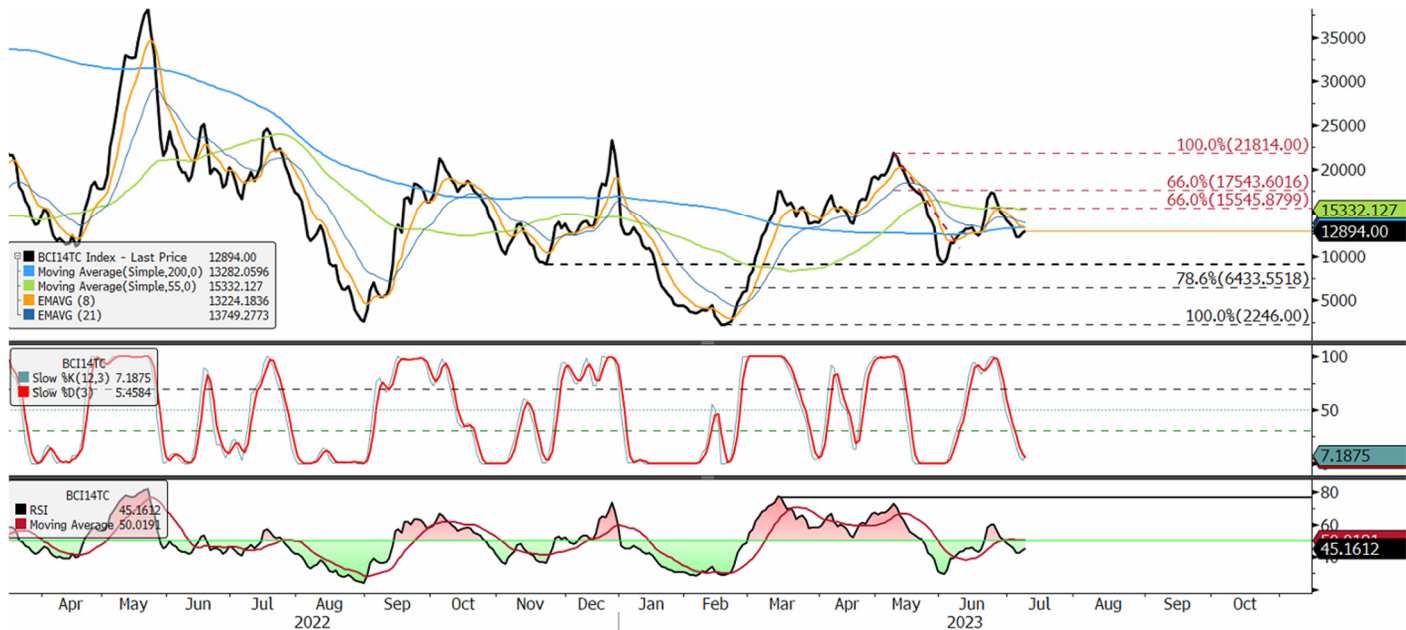
Q3 23

The futures traded below our downside target of USD 13,435 to a low of USD 13,250 before finding light buying support last week. Intraday Elliott wave analysis does suggest that the current upside move is potentially countertrend, making USD 16,665 the key resistance to follow in the near-term. We should highlight a momentum conflict, as the MA on the RSI implies weakness; however, the upside move is on the back of a positive divergence, suggesting caution, as we are nearing the end of this phase of the cycle.

Cal 24

Like the rest of the freight complex the futures are technically bearish with price below all key moving averages. Based on our intraday Elliott wave analysis the upside move looks to be potentially countertrend, making USD 14,364 the key resistance to follow. We also have the same momentum conflict as the Q3, as the MA on the RSI does imply weakness; however, the upside move is on the back of a positive divergence, suggesting caution, as we look to be nearing the end of this phase of the cycle.

Capesize Index

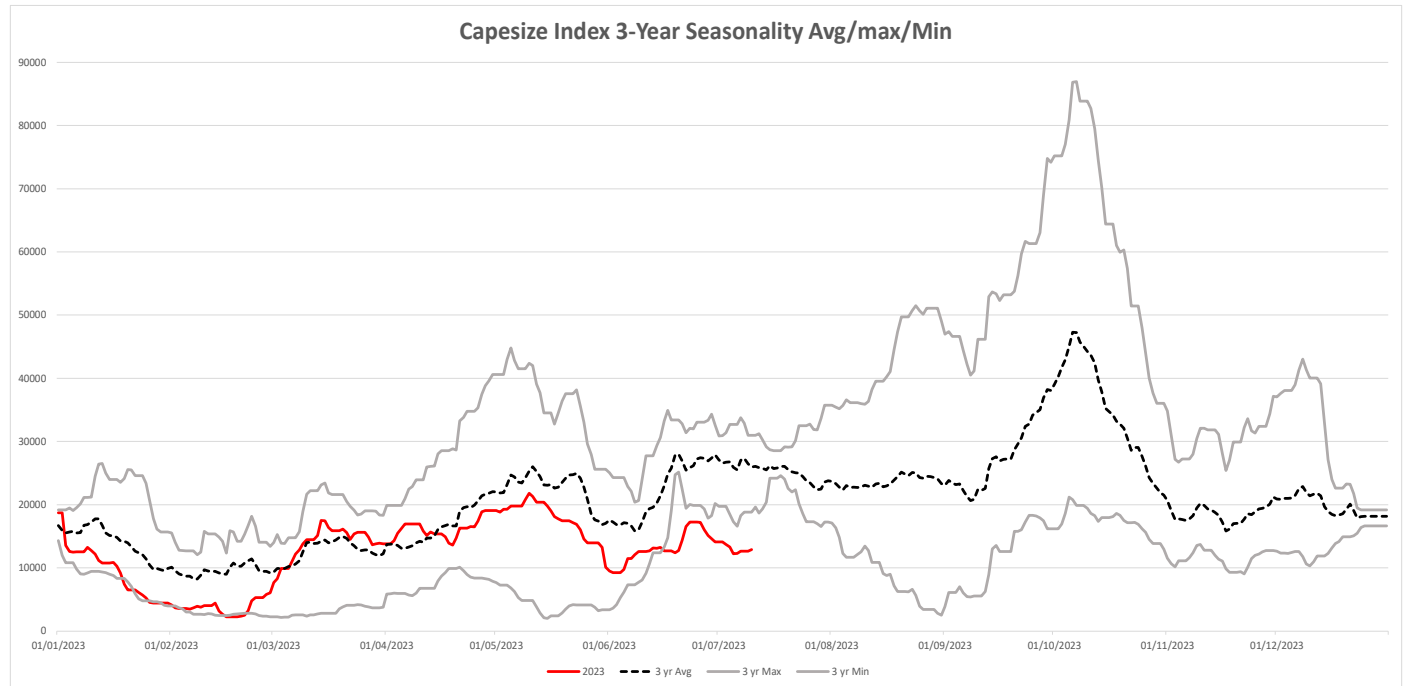


	Support	Resistance	Current Price	Bull	Bear
S1	9,254	R1	12,894	Stochastic oversold	RSI below 50
S2	6,433	R2			
S3	2,246	R3			

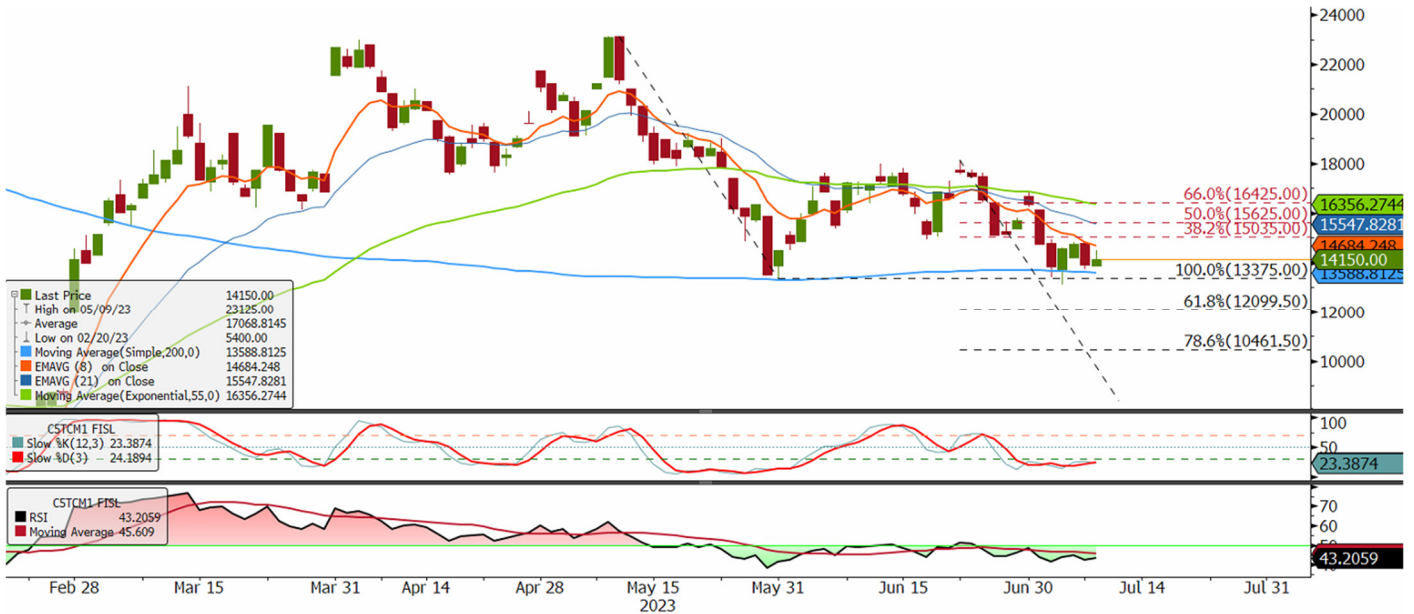
Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is oversold
- Technically bearish on the last report, the downside move below the USD 14,018 resistance warned that the USD 12,375 fractal support could be tested and broken. The RSI was below its MA which had flattened, suggesting momentum was bearish/neutral. Key resistance remained unchanged at USD 17,543. The index traded below the USD 12,375 level before finding light buying support. Price is below all key moving averages with the RSI below 50.
- Momentum based on price is back aligned to the buy side, a close below USD 12,619 will mean it is aligned to the sell side. Upside moves that fail at or below USD 15,545 will leave the index vulnerable to further tests to the downside, above this level we have a neutral bias.
- Technically bearish with price breaking fractal support. We have seen momentum based on price turn to the buy side today; however, we will need further confirmation with an upside move tomorrow, if we do, then resistance levels could be vulnerable in the near-term. The move below USD 12,375 does support the longer-term bearish technical.



Capesize Aug 23 (1 Month forward)

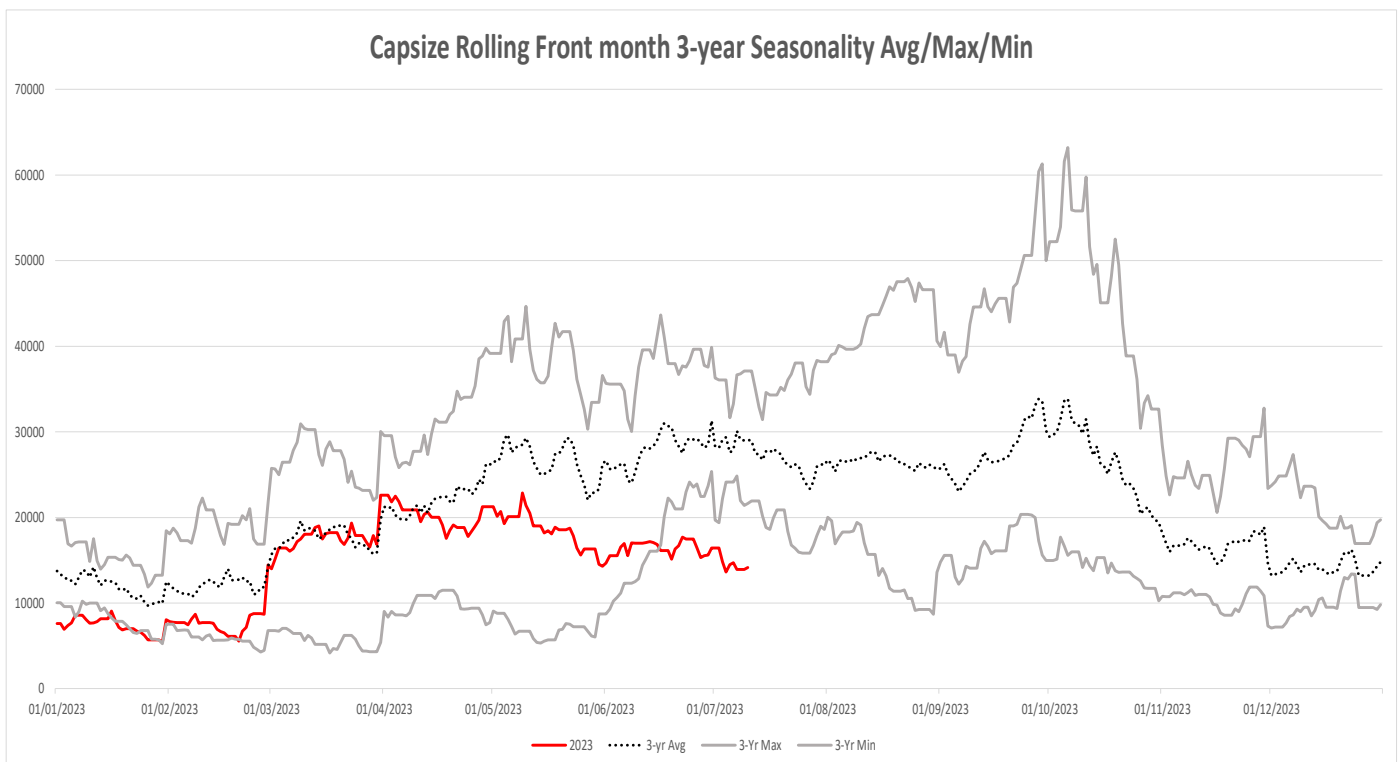


	Support	Resistance	Current Price	Bull	Bear
S1	13,375	R1	15,035	Stochastic oversold	RSI below 50
S2	12,099	R2	15,625		
S3	10,461	R3	16,425		

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- As noted previously, the USD 14,925 fractal break suggested that the USD 13,375 fractal support would be tested and broken, intraday Elliott wave analysis using the William's method implied that we had the potential to trade as low USD 12,099. The futures have traded below the USD 13,375 fractal low, but the move has failed to hold in the near-term with price back above the 200-period MA. We remain below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 16,425 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The futures traded to a low of USD 13,125, resulting in a positive divergence with the RSI and a small move higher. However, intraday Elliott wave analysis is suggesting we still have the potential for on more move lower, meaning we continue to target USD 12,099 at this point.

Source Bloomberg



Capesize Q3 23 (Rolling front QTR)

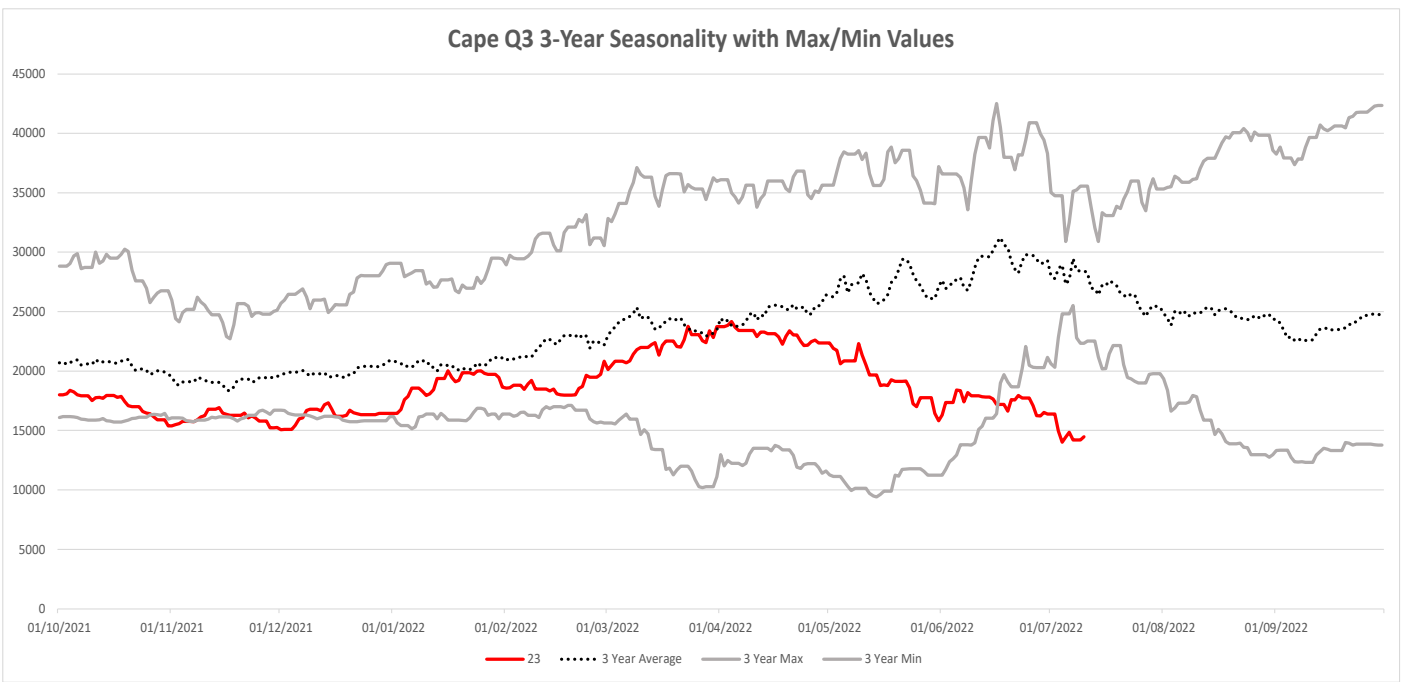


	Support	Resistance	Current Price	Bull	Bear	
S1	13,435	R1	14,475	Stochastic oversold	RSI below 50	
S2	11,902	R2				15,837
S3	9,950	R3				16,665

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (36)
- Stochastic is oversold
- Technically bearish last week with price approaching our downside target at USD 13,435, if broken we had further support at USD 11,902. Lower timeframe intraday Elliott wave analysis continued to suggest that upside moves should be considered as countertrend, implying the USD 13,435 support could be broken. The futures traded to a low of USD 13,250 before moving higher, we remain below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 16,665 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, intraday Elliott wave analysis would suggest that this upside move is still potentially countertrend, implying we have one more move lower in this phase of the cycle, making USD 16,665 the key resistance to follow. We do have a momentum confliction as the MA RSI would suggest that momentum remains weak; however, we have moved higher on the back of a positive divergence, implying caution as we are approaching the last stages of this cycle.



Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	13,272	R1	13,926	Stochastic oversold	RSI below 50
S2	12,734	R2	14,112		
S3	12,050	R3	14,364		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (38)
- Stochastic is oversold
- Technically bearish, the futures were nearing the USD 13,272 with the RSI in divergence with price. Not a buy signal it was a warning that we have the potential to see a momentum slowdown. However, lower timeframe Elliott wave analysis (intraday) continued to warn that upside moves will potentially still be countertrend. The futures traded to a low of USD 13,325 before moving higher, we remain below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 14,364 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Like the Q3 contract, intraday Elliott wave analysis would suggest that the current upside move looks to be countertrend, making USD 14,364 the key resistance to follow. We also have the same momentum confliction, as the MA RSI would suggest that momentum remains weak; however, we have moved higher on the back of a positive divergence, implying caution as the cycle is nearing completion.

