



Capesize Technical Report

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Index

Technically bearish with momentum aligned to the buy side last week, warning resistance levels could be vulnerable in the near-term, we noted that due to the move below USD 12,375 the longer-term technical remained bearish. The index traded to a high of USD 14,028 before moving lower. Momentum based on price is now aligned to the sell side, warning that the USD 12,234 fractal support is vulnerable. Key moving averages are now flat indicating we are not in trend and lack any real directional bias.

August 23

Upside moves were considered as countertrend last week with the futures trading to a high of USD 15,500 before selling lower. The downside move today below USD 13,703 is warning that the USD 13,125 fractal low is vulnerable, if broken, we have a potential downside target at USD 12,099. Technically bearish, below USD 13,125 we will have achieved the minimum requirement for phase/cycle completion (Elliott wave), warning downside moves have the potential to be limited.

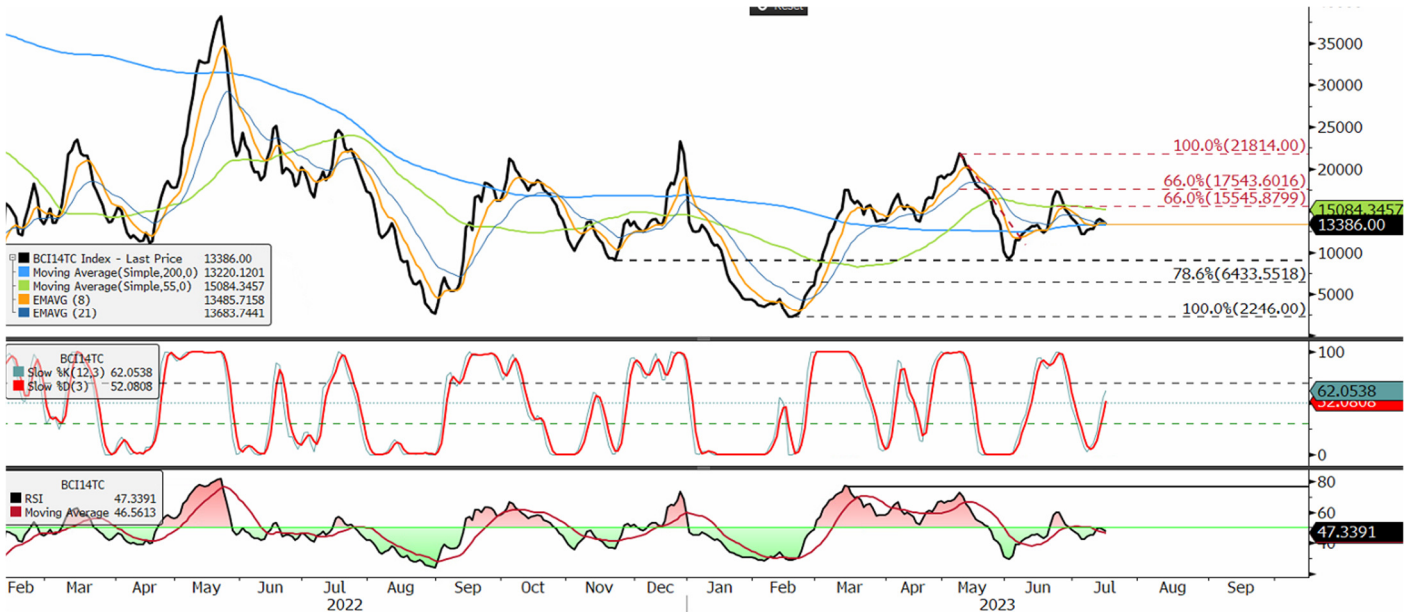
Q4 23

Having previously moved higher on the back of a positive divergence, the futures have rejected the 21-period EMA, resulting in price selling lower. Technically bearish, Elliott wave analysis would suggest we have one more wave lower, indicating support levels are vulnerable, whilst upside moves should be considered as countertrend. Like the August contract, downside moves below USD 14,750 will mean that the minimum requirement for phase/cycle completion will have been achieved (Elliott wave), suggesting caution. Using William's methodology, we have a potential downside target of USD 14,000.

Cal 24

Upside moves were considered as countertrend last week with key resistance to follow at USD 14,364, the futures traded to a high of USD 14,050 before selling lower. We maintain our view that upside moves are considered as countertrend at this point with a potential downside target at USD 13,272. Note: a new low below USD 13,325 will mean that the Elliott wave cycle will have achieved its minimum requirement for phase/cycle completion.

Capesize Index

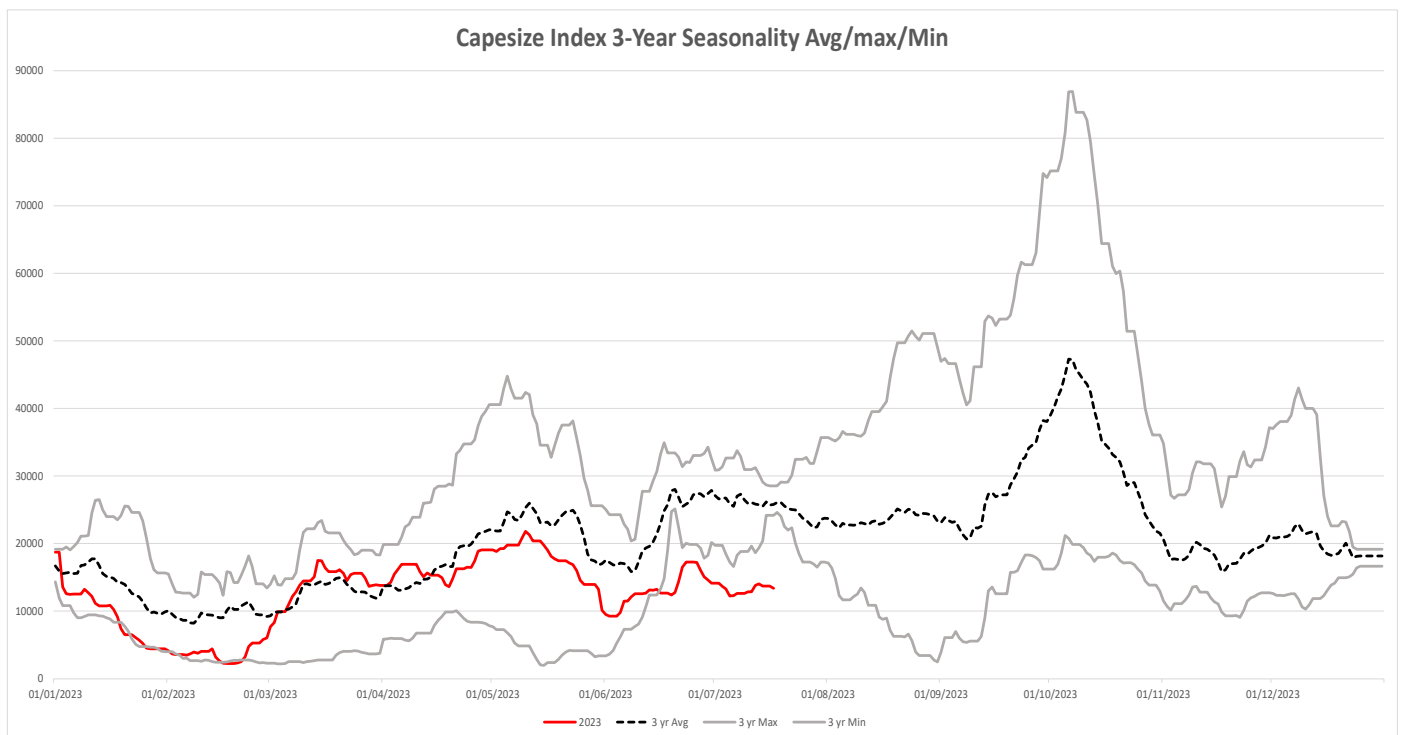


Support	Resistance	Current Price	Bull	Bear
S1	R1	13,386		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is above 50
- Technically bearish on the last report with price breaking fractal support. We had seen momentum based on price turn to the buyside; however, we needed further confirmation with an upside move the following day, if we did, then resistance levels could be vulnerable in the near-term. The move below USD 12,375 did support the longer-term bearish technical. The index traded to a high of USD 14,028 before moving lower. Price is between all key moving averages with the RSI below 50.
- Momentum based on price is aligned to the sell side, a close above USD 13,656 will mean it is aligned to the buyside. 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, the futures are now turning lower with momentum based on price aligned to the sell side, warning that the USD 12,234 support is now vulnerable. We should note that the 8-21 and 55-period moving averages are all flat, indicating a lack of directional bias at this point.



Capesize Aug 23 (1 Month forward)

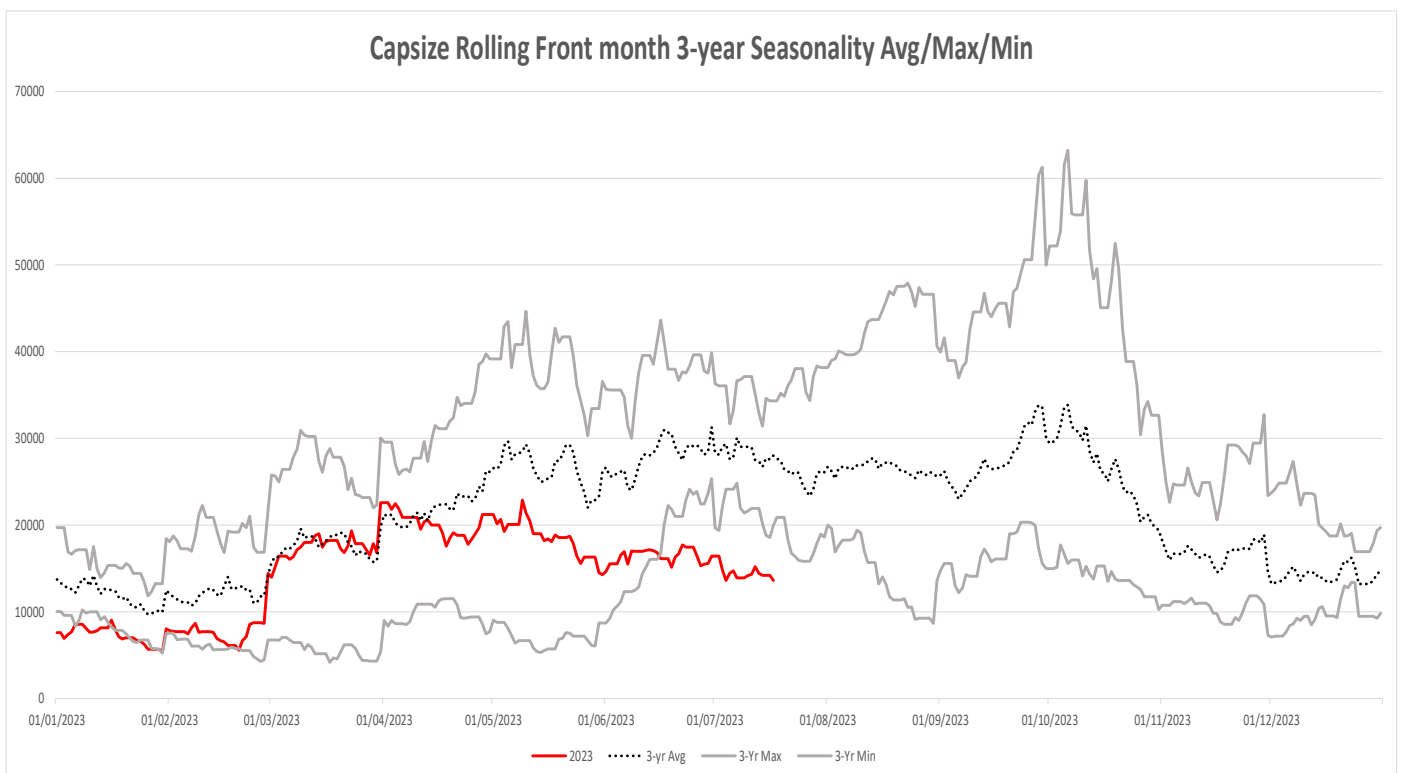


	Support	Resistance	Current Price	Bull	Bear
S1	13,375	R1	13,600	Stochastic oversold	RSI below 50
S2	12,099	R2			
S3	10,461	R3			

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- The futures had previously 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 suggested that we still had the potential for one more move lower, meaning we continued to target USD 12,099. The futures traded to a high of USD 15,500 before moving lower, price is below all key moving averages supported by 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, on the intraday technical the key resistance is at USD 15,600.
- Technically bearish with the futures moving lower, the USD 13,125 fractal low is starting to look vulnerable. If broken, we have a potential downside target at USD 12,099.

Source Bloomberg



Capesize Q4 23 (Rolling front QTR)

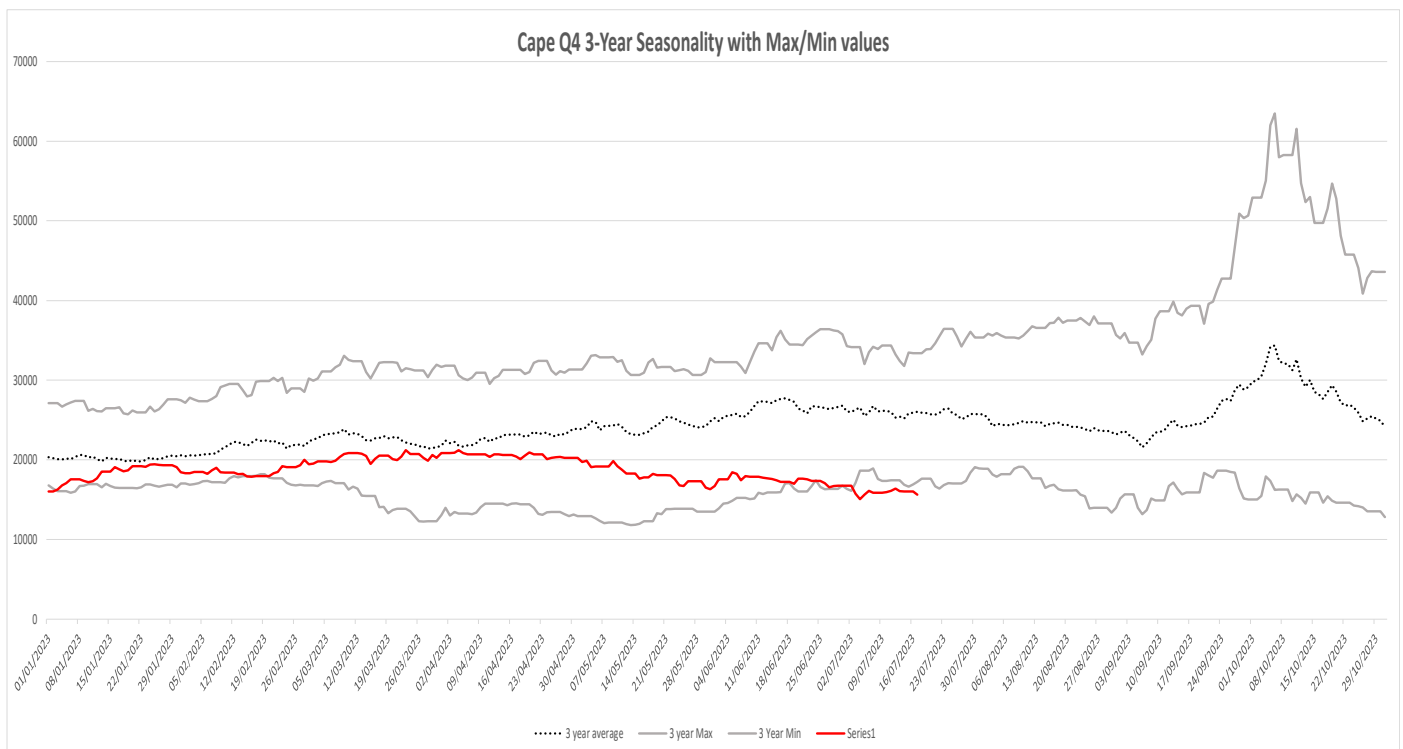


	Support	Resistance	Current Price	Bull	Bear
S1	14,974	R1	16,437		RSI below 50
S2	14,487	R2	16,977		
S3	14,000	R3	17,402		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (40)
- Stochastic is above 50
- Q4 this week. The futures had moved higher on the back of a positive divergence with the RSI; however, price has rejected the 21-period EMA resulting in the futures moving lower. Price is below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 16,977 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, Elliott wave analysis would suggest we have potentially one more wave to the downside, meaning support levels remain vulnerable; using the William's approach we have a possible downside target as low as USD 14,000. This would also suggest that upside moves should be considered as countertrend. Above USD 18,125 will bring into question the bearish wave count as it is above a key fractal resistance within the Elliott wave cycle.



Capesize Cal 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	13,600		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (37)
- Stochastic is below 50
- Like the Q3 contract last week, intraday Elliott wave analysis suggested that the current upside move looked to be counter-trend, making USD 14,364 the key resistance to follow. We also had the same momentum conflict, as the MA on the RSI suggested that momentum remained weak; however, we had moved higher on the back of a positive divergence, implying caution as the cycle was nearing completion. The futures traded to a high of USD 14,050 before moving lower, Price is below all key moving averages with 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 (unchanged).
- Technically bearish, the USD 13,325 fractal low is starting to look vulnerable, below this level the futures will have achieved the minimum requirement for phase/cycle completion (Elliott wave). Upside moves are still considered as countertrend at this point with a potential downside target at USD 13,272.

