



Capesize Technical Report

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Index

Having traded below fractal support we have seen a move higher resulting in price breaking a near-term fractal resistance; however, the longer-term technical remains bearish below USD 17,543 and neutral above, making this the key level to follow. Moving averages remain flat, indicating a lack of directional bias. We are seeing the MA on the RSI turn higher, indicating momentum is supported, warning resistance levels could come under pressure in the near-term.

Sep 23

Previously bearish with a potential downside target at USD 12,099, the futures traded to a low of USD 12,450 before finding bid support on the back of a positive divergence, resulting in a move higher. The roll into the September contract resulted in fractal resistance being broken, meaning the technical is now bullish. Price is holding above the Fibonacci support zone with the MA on the RSI implying momentum is supported at this point. Leaving resistance levels vulnerable. Key support is at USD 13,742, if broken, we could see the USD 12,450 fractal low come under pressure.

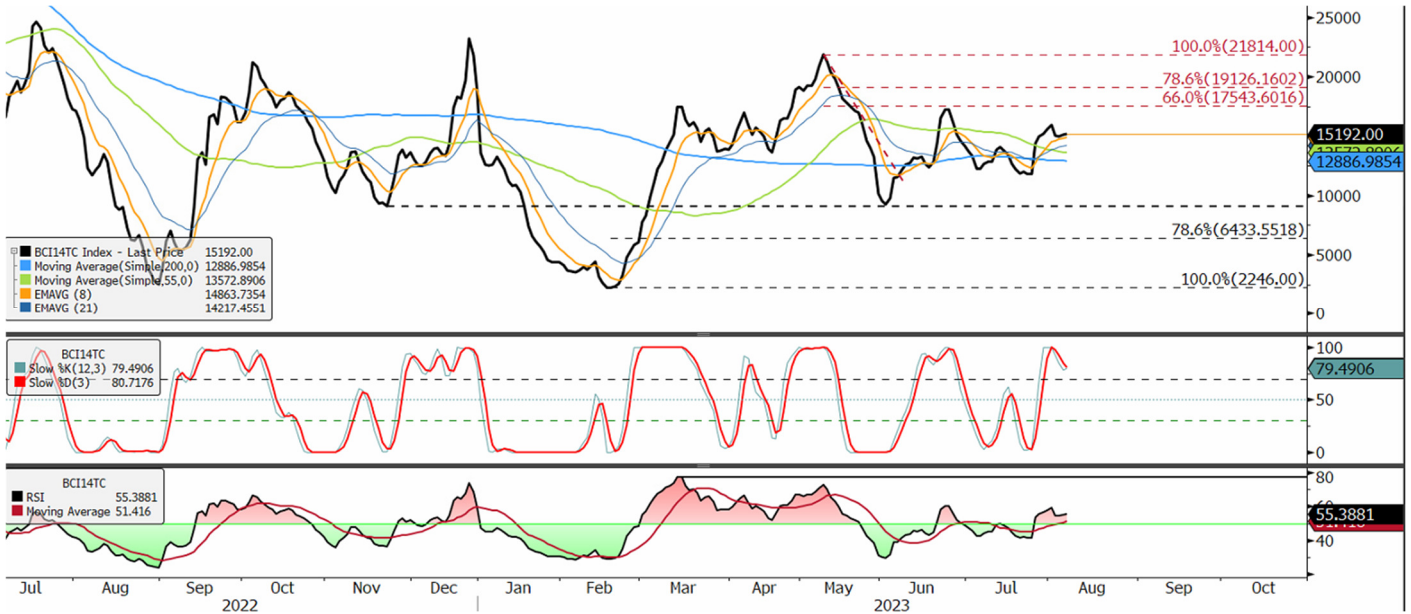
Q4 23

Technically bearish on the last report with Elliott wave analysis suggesting we had the potential to see one more wave to the downside. Having moved sideways, we have seen the RSI find support on its MA whilst price has moved higher in five of the last seven sessions, implying the market is supported at this point. Elliott wave analysis continues to suggest that we still have the potential to see one more move to the downside; however, the technical (based on price and momentum indicators) is suggesting that resistance levels look like they could come under pressure in the near-term, making USD 16,977 the key resistance to follow.

Cal 24

Technically bearish previously, the futures traded to a low of USD 13,375. This is within USD 50.00 of the USD 13,325 low, meaning it is unclear whether we have seen the Elliott wave cycle complete early. We remain below our key resistance at USD 14,364; however, the MA on the RSI would suggest momentum is supported, leaving resistance levels vulnerable. A cautious bear, we now have a neutral view due to the lack of clarity within the wave cycle.

Capesize Index

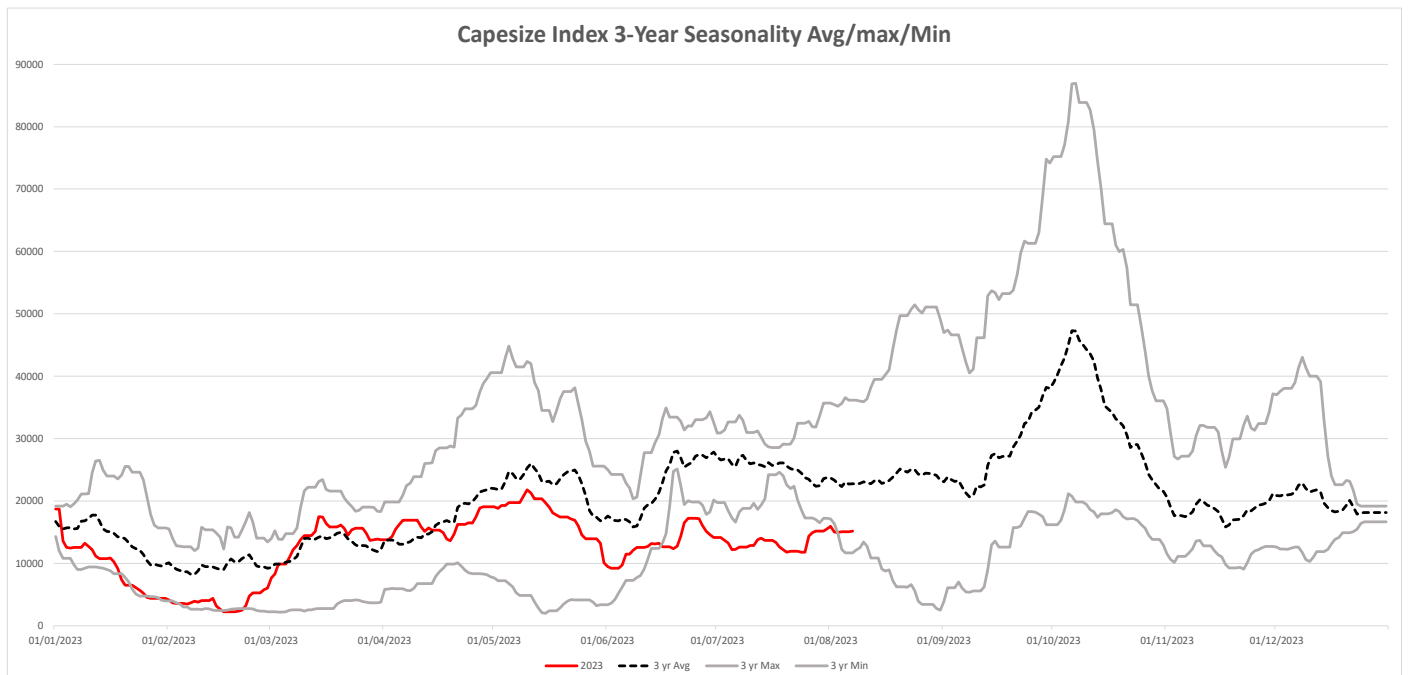


	Support	Resistance	Current Price	Bull	Bear
S1	11,787	R1	15,192	RSI above 50	Stochastic overbought
S2	9,254	R2			
S3	6,433	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Technically bearish on the last report, the futures were turning lower with momentum based on price aligned to the sell side, warning that the USD 12,234 support was vulnerable. We noted that the 8-21 and 55-period moving averages are all flat, indicating a lack of directional bias. The index traded below the fractal support to a low of USD 11,787 before moving higher. Price is now above all key moving averages supported by the RSI above 50.
- Momentum based on price is aligned to the buyside, a close below USD 15,101 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.
- The upside move in the index has broken a near-term fractal resistance; however, the longer term technical remain bearish as we remain within the longer-term bear wave (USD 21,814 – USD 9,254), making USD 17,543 the key near-term level to follow. Moving averages remain flat, indicating a lack of directional bias but the MA on the RSI is moving higher, implying momentum is starting to strengthen, leaving resistance levels vulnerable.



Capesize Sep 23 (1 Month forward)

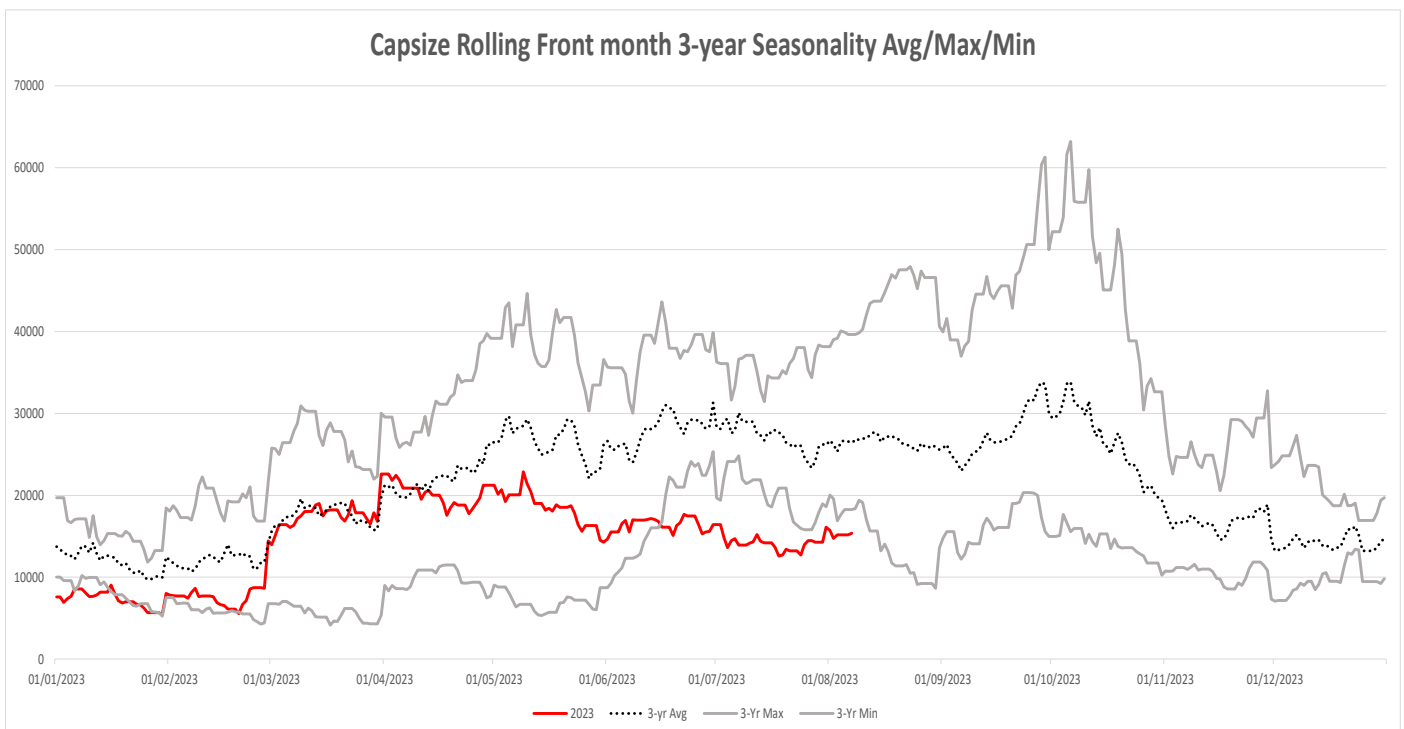


	Support	Resistance	Current Price	Bull	Bear
S1	14,798	R1	15,450	RSI above 50	Stochastic overbought
S2	14,350	R2			
S3	13,742	R3			

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Technically bearish with the futures moving lower on the last report, the USD 13,125 fractal low was starting to look vulnerable. If broken, we had a potential downside target of USD 12,099. The futures continued to move lower with price trading to a low of USD 12,450 before finding bid support. The roll into the Sep contract resulted in price trading to a high of USD 16,250 before price pulled back to the 8 period EMA, the RSI is above 50.
- Downside moves that hold at or above USD 13,742 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 12,450 is the technical bearish.
- Technically bullish with the futures holding above the Fibonacci support zone having moved higher on the back of a positive divergence. The MA on the RSI would suggest that momentum is supported at this point, making USD 13,742 the key level to follow, if broken the USD 12,450 fractal low will become vulnerable. Fibonacci projection would suggest we now have a near-term upside target at USD 16,948.

Source Bloomberg



Capesize Q4 23 (Rolling front QTR)

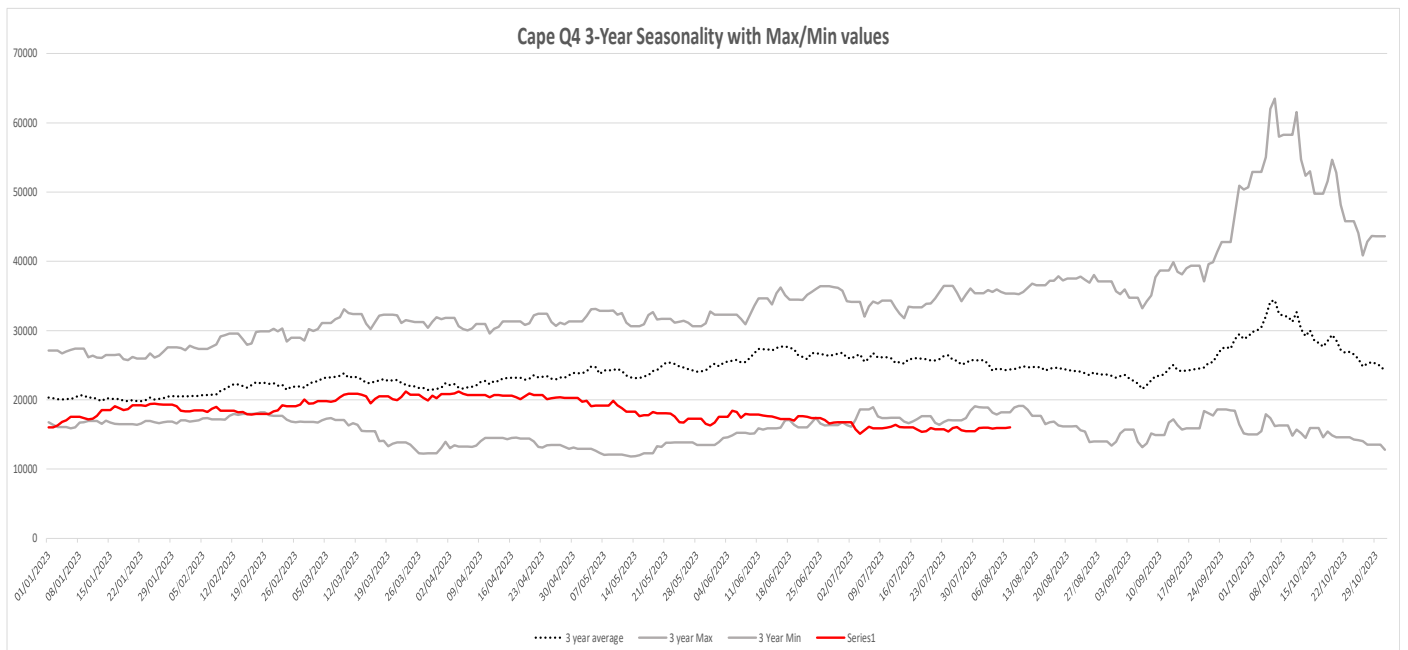


	Support	Resistance	Current Price	Bull	Bear
S1	14,974	R1	16,125		RSI below 50
S2	14,487	R2			
S3	14,000	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is below 50 (47)
- Stochastic is above 50
- Technically bearish previously, our Elliott wave analysis suggested we had potentially one more wave to the downside, meaning support levels remained vulnerable; using the William's approach we had a possible downside target as low as USD 14,000. This also suggested that upside moves should be considered as countertrend. Above USD 18,125 would bring into question the bearish wave count, as it would be above a key fractal resistance within the Elliott wave cycle. The futures have moved sideways with price finding buyside support in five of the last seven sessions. The futures are trading above the 8-21 period EMA's with the RSI still 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 (Unchanged).
- Technically we remain bearish with key resistance levels unchanged (USD 16,977 – USD 18,125). We noted that we are now starting to see bid support, this is highlighted by the RSI holding above its MA, implying we are also seeing momentum support. In theory, lower timeframe wave analysis would suggest we could have one final test to the downside within this phase of the cycle; however, the technical is suggesting resistance levels could come under pressure in the near-term.



Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	13,272	R1	14,225	RSI above 50	Stochastic overbought
S2	13,272	R2			
S3	12,734	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (52)
- Stochastic is overbought
- Technically bearish on the last report, the USD 13,325 fractal low was starting to look vulnerable, below this level the futures would have achieved the minimum requirement for phase/cycle completion (Elliott wave). Upside moves were still considered as countertrend with a potential downside target at USD 13,272. The futures traded to a low of USD 13,375 before finding bid support, price is now above the 8-21 period EMA's with the RSI above 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).
- The futures failed to trade to a new low by USD 50.00, making the technical unclear at this point, as it is possible the Elliott wave cycle has completed early. The futures have moved higher but remain below our key resistance; however, the MA on the RSI would suggest momentum is supported at this point, warning resistance levels are vulnerable. A cautious bear, we have a more neutral view due to the lack of clarity in the wave cycle.

