



# Capesize Technical Report

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## Index

Technically bearish last week with momentum showing signs of support. The index needed to trade above USD 12,120, if broken then the probability of the index trading to a new low would decrease. Resistance was broken with price trading to a new high, meaning the technical is now bullish. The RSI is above the 64 level which historically has warned that there will be further upside price action, meaning resistance levels are now vulnerable.

## October 23

Technically bearish with a neutral bias last week the MA on the RSI suggested momentum was supported; however, the futures were moving lower on the back of an intraday divergence with price below the last dominant bull candle, warning that the USD 15,182 support was vulnerable. The futures held above our key intraday support with price trading to a low of USD 15,375. Resulting in the futures trading into bullish territory. The Upside move today means the intraday divergence has failed with the RSI on the daily chart making a new high, both timeframe momentum indicators now suggest that downside moves should be considered as countertrend.

## Q4 23

Technically bullish last week the futures were trading below the low of the previous bull candle, warning that USD 15,371 support was starting to look vulnerable. Momentum also warned we could move lower as the RSI was below 50 with the stochastic in overbought territory. The bearish close was followed by an inside day candle pattern that broke to the upside, meaning our key support was not tested. The inside day breakout has resulted in the futures moving higher with both the intraday and daily RSI's making new highs, suggesting downside moves should now be considered as countertrend. Upside moves above USD 18,125 will target the USD 18,487 and USD 18,954 resistance levels.

## Cal 24

Technically bullish previously, we had seen a bearish Harami pattern break to the downside alongside a bearish RSI/Stochastic combination, which warned that our key support at USD 13,739 was starting to look vulnerable. We had an inside day candle pattern the following day that broke to the upside, resulting in support levels holding. The following upside move means price remains in bullish territory, the daily RSI is testing RSI resistance, but the intraday RSI has made new highs, suggesting downside moves should be considered as countertrend. Resistance levels are now vulnerable with key support to follow at USD 14,172.

# Capesize Index

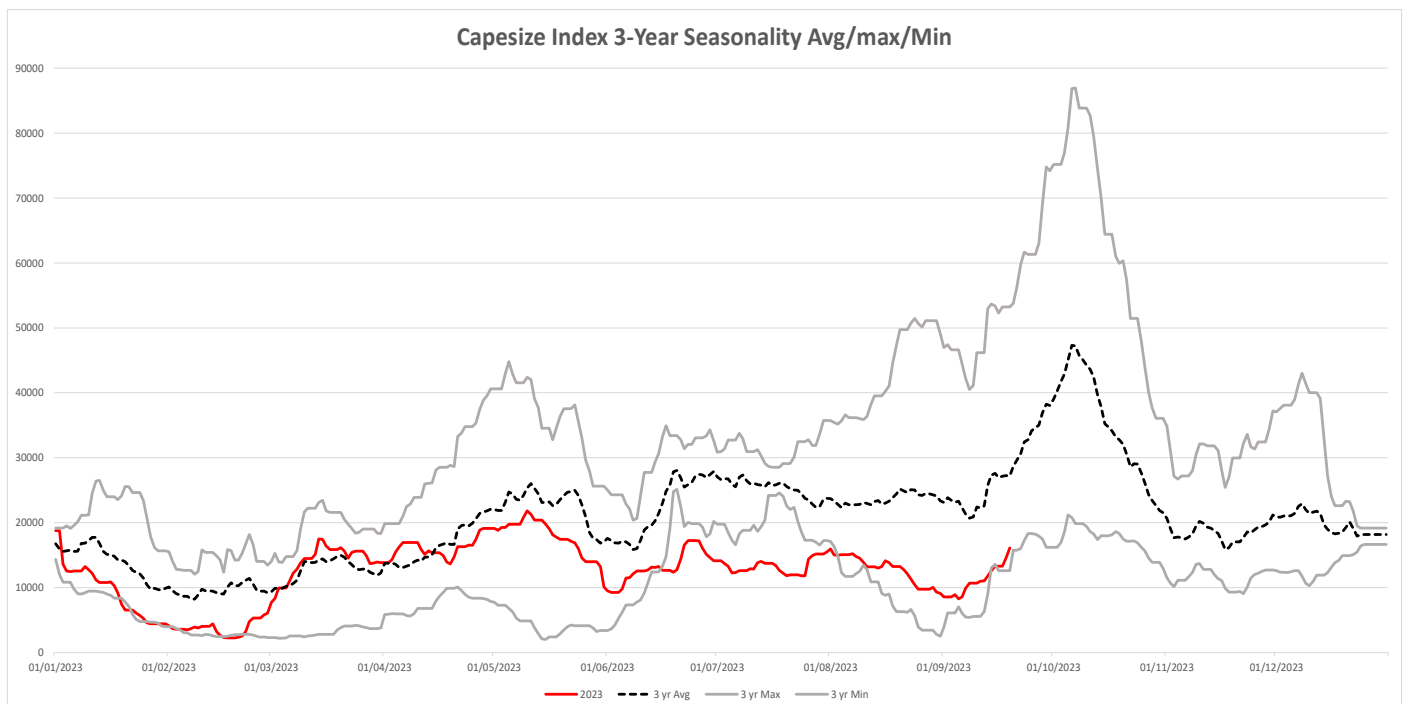


Support		Resistance		Current Price	Bull	Bear
S1	13,109	R1	17,252	16,103	RSI above 50	Stochastic overbought
S2	12,184	R2	18,050			
S3	10,930	R3	20,359			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- We were technically bearish but with price moving higher last week. The MA on the RSI was in the early stages of turning higher with the RSI above its average, warning momentum was showing signs of support. Key resistance was at USD 12,120, above this level the probability of price trading to new lows would decrease, if rejected, we could see a technical pullback. The index traded above the USD 12,120 level with price currently at USD 16,103, meaning the technical is bullish as price has broken fractal resistance. We remain above all key moving averages with the RSI above 50.
- Momentum based on price is aligned to the buy side, a close below USD 12,930 will mean it is aligned to the sell side. Downside moves that hold at or above USD 10,930 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the RSI is now above 64 (currently 65), historically, a move in the RSI above this level has resulted in further upside moves, warning that the USD 18,050 and USD 20,359 resistance levels are now vulnerable.



# Capesize Oct 23 (1 Month forward)

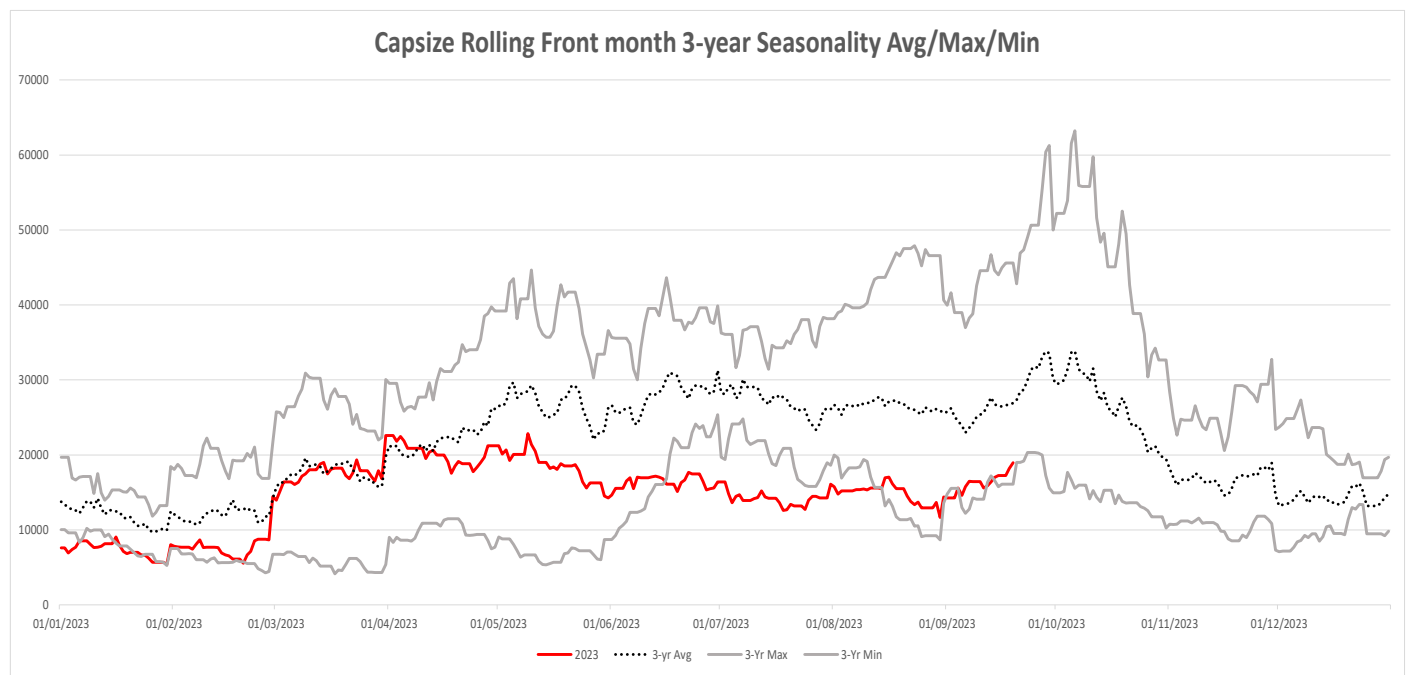


Support		Resistance		Current Price	Bull	Bear
S1	17,692	R1	20,026	19,125	RSI above 50	Stochastic overbought
S2	17,250	R2	21,050			
S3	16,650	R3	21,575			

### Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Technically bearish with a neutral bias due to the strength of the upside move last week. The MA on the RSI suggested that momentum was supported; However, a close below USD 15,425 (the last dominant bull candle) would warn that momentum based on price was starting to weaken, leaving support levels vulnerable. We noted in the intraday technical that the futures were moving lower on the back of a negative divergence with key intraday support at 15,182 looking vulnerable, if broken it would further support a seller's argument. The futures traded to a low of USD 15,375, meaning key intraday support held, resulting in the futures moving higher. Price is above all key moving averages supported by the RSI above 50, the futures have since broken fractal resistance, meaning the technical is now bullish.
- Downside moves that hold at or above USD 16,650 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the upside move in the futures today means that the intraday divergence highlighted in the morning report has failed; this is supported by the daily RSI, which is also making new highs, suggesting downside moves should now be considered as countertrend. The MA on the RSI also implies that momentum is supported at this point.

Source Bloomberg



# Capesize Q4 23 (Rolling front QTR)

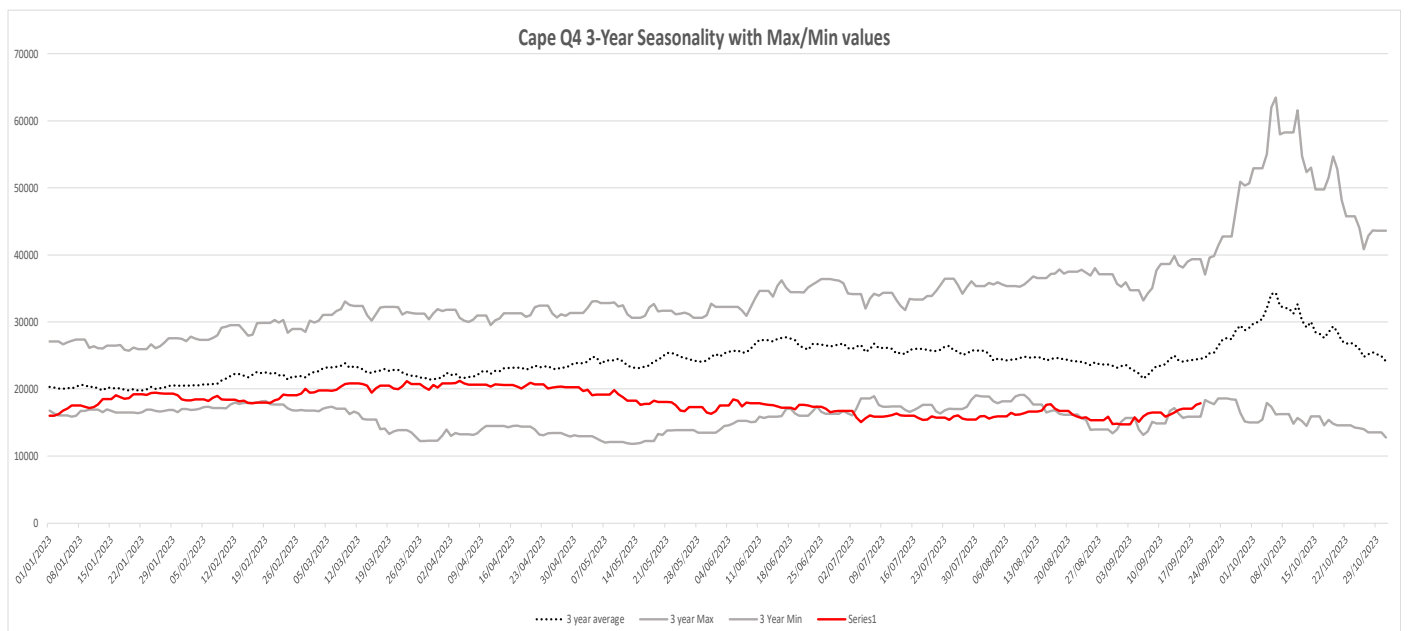


	Support	Resistance	Current Price	Bull	Bear
S1	17,128	R1	17,900	RSI above 50	Stochastic overbought
S2	16,866	R2			
S3	16,512	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (60)
- Stochastic is overbought
- The futures were moving lower last week with price trading and closing below the low of the previous bullish candle, warning that the USD 15,371 support was starting to look vulnerable. Momentum also warned that we could be vulnerable to a move lower, as the RSI was below 50 with the stochastic in overbought territory. Having produced a bearish close, the futures produced an inside day candlestick pattern the following day, which broke to the upside. The USD 15,371 support was never tested, as the futures never traded below the USD 15,758.5 low created on the 11/09. The subsequent upside move resulted in the RSI moving above 50, meaning the overbought stochastic became less relevant. Price is now above all key moving averages with the futures approaching the USD 18,125 fractal resistance.
- Downside moves that hold at or above USD 16,512 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish with the daily and intraday RSI's making new highs, this suggests that downside moves should now be considered as countertrend, making USD 16,512 the key support to follow. Upside moves above USD 18,125 will target the USD 18,487 and USD 18,954 resistance levels.



# Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	14,363	R1	14,850	RSI above 50	Stochastic overbought
S2	14,275	R2	15,074		
S3	14,155	R3	15,275		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (58)
- Stochastic is overbought
- A bearish Harami pattern on the 08/09 resulted in the futures breaking to the downside on the 11/09. Momentum was conflicting, as the MA on the RSI suggested it was supported; however, the RSI was below 50 with the stochastic in overbought territory. If the RSI could hold below 50 then we had the potential to see further downside price action. The technical was bullish but the Harami breakout alongside the RSI/Stochastic combination warned that the USD 13,739 support was starting to look vulnerable. Like the Q4 contract the move to the downside was followed by an inside day pattern that broke to the upside, meaning our key support at USD 13,739 remained unbroken. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or below USD 14,172 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the daily RSI is now at resistance, but the intraday RSI is making new highs. This would suggest that downside moves should now be considered as countertrend, making USD 14,172 the key support to follow. If broken, the pullback will be considered as deep, meaning the probability of the futures trading to a new high will decrease.

