



# Capesize Technical Report

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## Index

We noted last week that the RSI move above 64 warned that we could see further upside in price. We have traded higher with the index now testing the USD 18,050 resistance, if broken the USD 20,359 level will be vulnerable. A close below USD 16,583 will warn that the USD 14,164 – USD 11,510 support zone could come under pressure.

## Oct 23

Technically bullish last week with downside moves considered as countertrend. The futures traded to a low of USD 17,375, meaning key support held, resulting in the futures trading to new highs. The intraday Elliott wave cycle would suggest that we are on the 5th and final wave of this cycle, meaning we have a potential upside target at USD 22,427. The new high also means that price is now in divergence with the RSI on the intraday chart, warning we have the potential to see a momentum slowdown, making us a cautious bull from here.

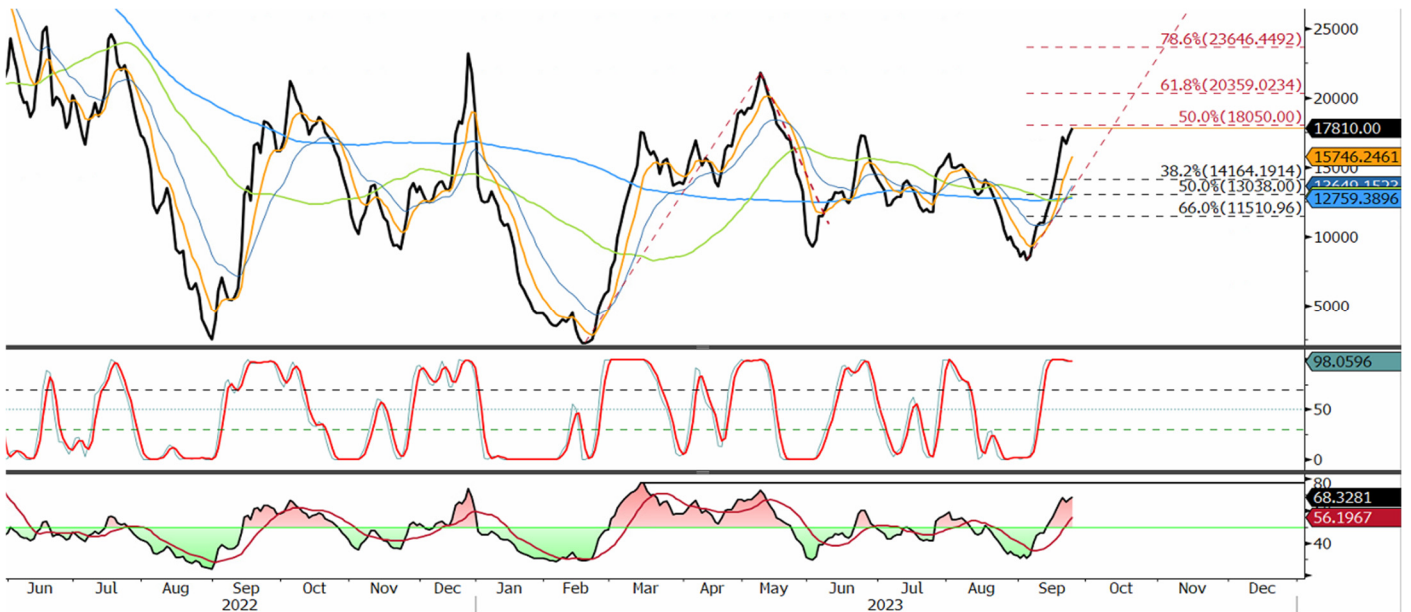
## Q4 23

Like the October futures, we were bullish with downside moves considered as countertrend last week. The futures did enter a corrective phase but held above key support levels, resulting in price making a new high. We remain bullish with our intraday Elliott wave analysis suggesting we have a potential upside target at USD 18,676; However, we are in divergence with the intraday RSI again, suggesting caution on upside moves from here.

## Cal 24

Like the rest of the Capesize complex last week we were technically bullish with downside moves considered as countertrend. The downside move held above key support resulting in the futures trading above the USD 14,700 fractal resistance. The new high means intraday price is in divergence, making us a cautious bull going forward.

# Capesize Index

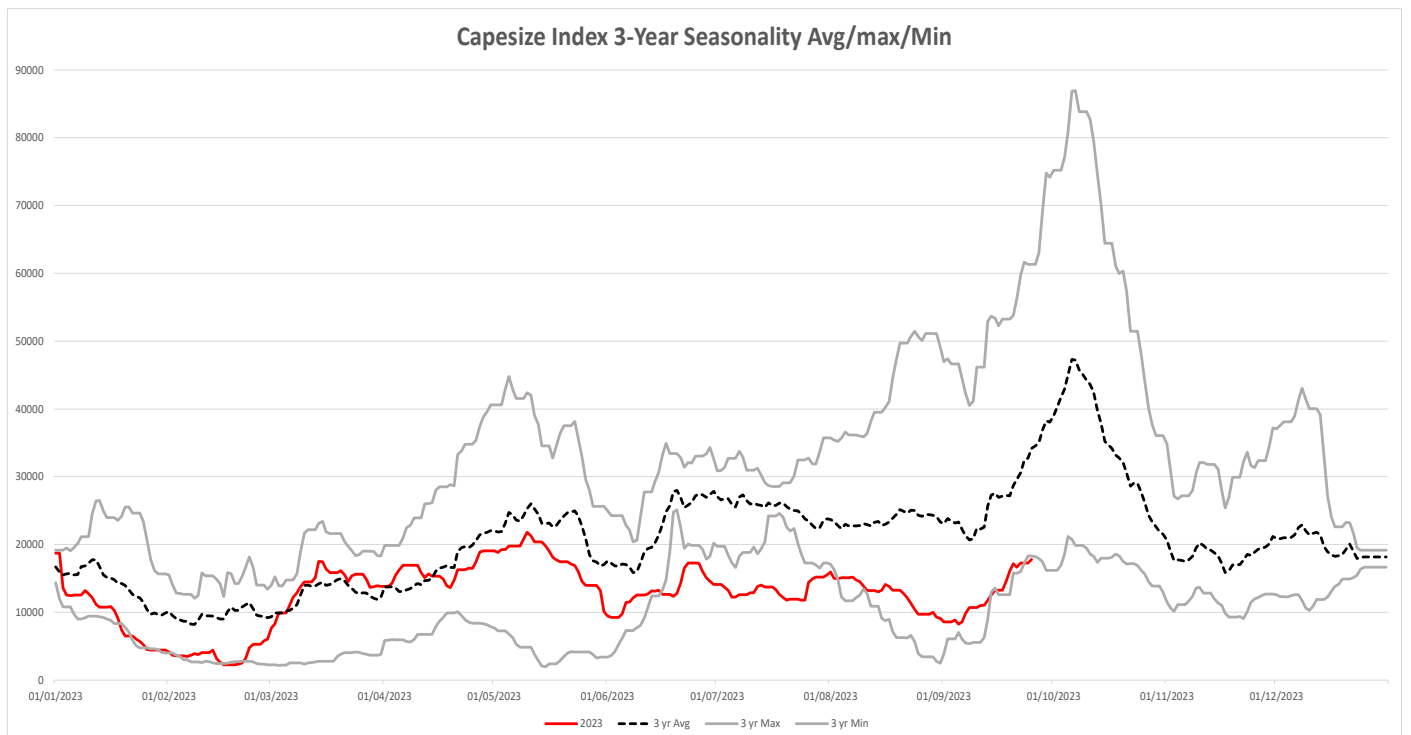


Support	Resistance	Current Price	Bull	Bear
S1	R1	17,810	RSI above 50	Stochastic overbought
14,164	18,050			
S2	R2			
13,038	20,359			
S3	R3			
11,510	23,646			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (68)
- Stochastic is overbought
- Technically bullish last week, we noted that the RSI had moved above 64, historically, a move above this level had resulted in further upside moves, warning that the USD 18,050 and USD 20,359 resistance levels were vulnerable. The index continued to move higher, with price now testing the USD 18,050 resistance. Price is above all key moving averages supported by the RSI above 50.
- Momentum based on price is aligned to the buy side, a close below USD 16,583 will mean it is aligned to the sell side. Downside moves that hold at or above USD 11,510 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we maintain our view that the USD 18,050 and USD 20,359 resistance levels are vulnerable, making USD 11,510 the key support to follow. A close below USD 16,583 will warn that support levels could come under pressure.



# Capesize Oct 23 (1 Month forward)

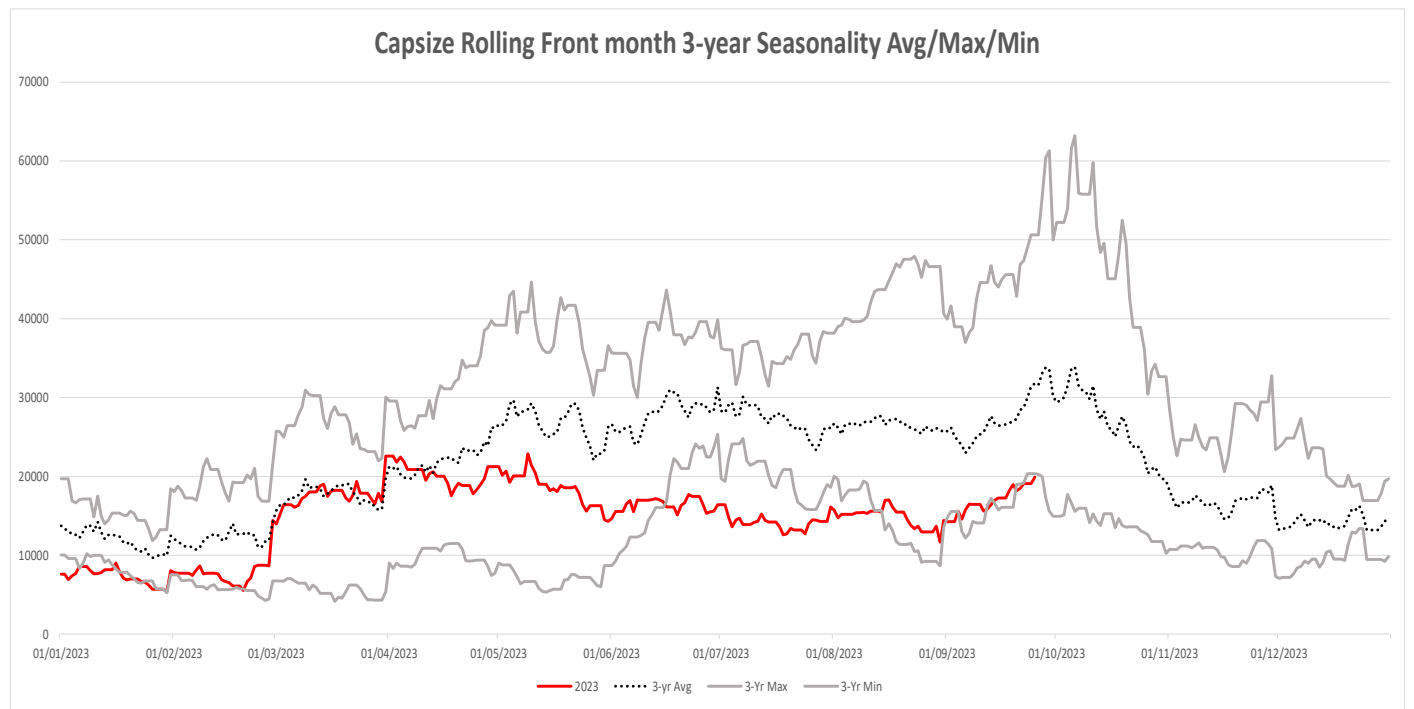


	Support	Resistance	Current Price	Bull	Bear
S1	18,920	R1	20,497	RSI above 50	Stochastic overbought
S2	18,625	R2	21,462		
S3	18,225	R3	22,427		

### Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Technically bullish last week, the upside move in the futures meant that the intraday divergence highlighted in the morning reports had failed; this was supported by the daily RSI, which was also making new highs, suggesting downside moves should be considered as countertrend. The MA on the RSI also implied that momentum is supported. The futures entered a corrective phase with price trading to a low of USD 17,375 before finding buyside support and trading back to new highs. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,225 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the intraday Elliott wave cycle suggests we are on the 5th and final wave of this cycle, we now have a potential upside target at USD 22,427. However, the new high means the intraday technical is in divergence again, warning that we have the potential to see a slowdown in buyside momentum, this will need to be monitored. A cautious bull as price on the intraday is back in divergence.

Source Bloomberg



# Capesize Q4 23 (Rolling front QTR)

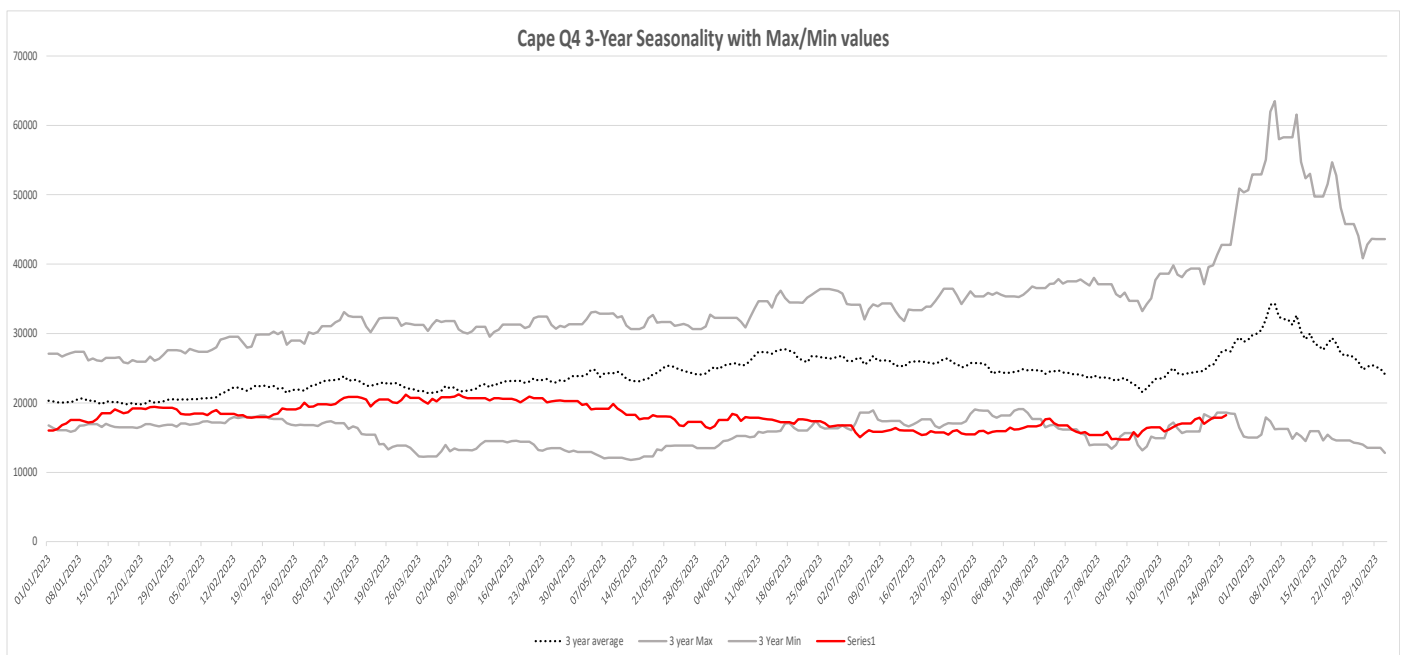


	Support	Resistance	Current Price	Bull	Bear
S1	17,128	R1	18,127	RSI above 50	Stochastic overbought
S2	16,866	R2			
S3	16,512	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (60)
- Stochastic is overbought
- Technically bullish last week with the daily and intraday RSI's making new highs, this suggested that downside moves should be considered as countertrend, making USD 16,512 the key support to follow. Upside moves above USD 18,125 would target the USD 18,487 and USD 18,954 resistance levels. The futures entered a corrective phase with price trading to a low of USD 16,575, meaning key support held, resulting in the futures trading to a new high. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 17,170 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, like the rolling front month contract, we appear to be on a bullish impulse Elliott wave 5 for this phase of the cycle. Our Elliott wave analysis would suggest that we have a potential upside target at USD 18,676; however, the minimum requirement for phase/cycle completion has now been met. The new high means we have an intraday divergence in play, for this reason we are now a cautious bull.



# Capesize Cal 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	14,725	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (58)
- Stochastic is overbought
- Technically bullish last week, the daily RSI was at resistance, but the intraday RSI was making new highs. This suggested that downside moves should 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. The futures traded to a low of USD 14,250 before trading above the USD 14,700 fractal high. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or below USD 14,420 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the pullback followed by a new high means we have an intraday divergence in play, not a sell signal, it is a warning that we have the potential to see a momentum slowdown and will need to be monitored.

