



# Capesize Technical Report

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## Index

Technically bearish, we had a small move higher last week resulting in the index testing the USD 23,351 resistance, before moving lower today (20/11). Momentum based on price is aligned to the buy side, if it becomes aligned to the sell side (below USD 21,884) and we see a close below USD 21,344, then we could see support levels come under pressure. The MA on the RSI is implying that momentum is starting to find support, a close above USD 25,827 will mean that the probability of the futures trading to a new low will start to decrease. From a technical point of view, we need to see a close below the USD 21,884 – USD 21,344 support zone for signs of technical weakness.

## Dec 23

Technically we remain bearish with the MA on the RSI continuing to suggest that momentum is supported. However, the intraday upside move that started on the 01/11 from a low of USD 13,000 now consist of 5 waves that ended in a divergence, warning support levels could come under pressure, making USD 15,095 the key support to follow. If we hold this level, it will warn that there is potentially a larger bull cycle in play; likewise, if we trade above USD 17,950, we are looking at Elliott wave extension. We remain cautious on upside moves at this point.

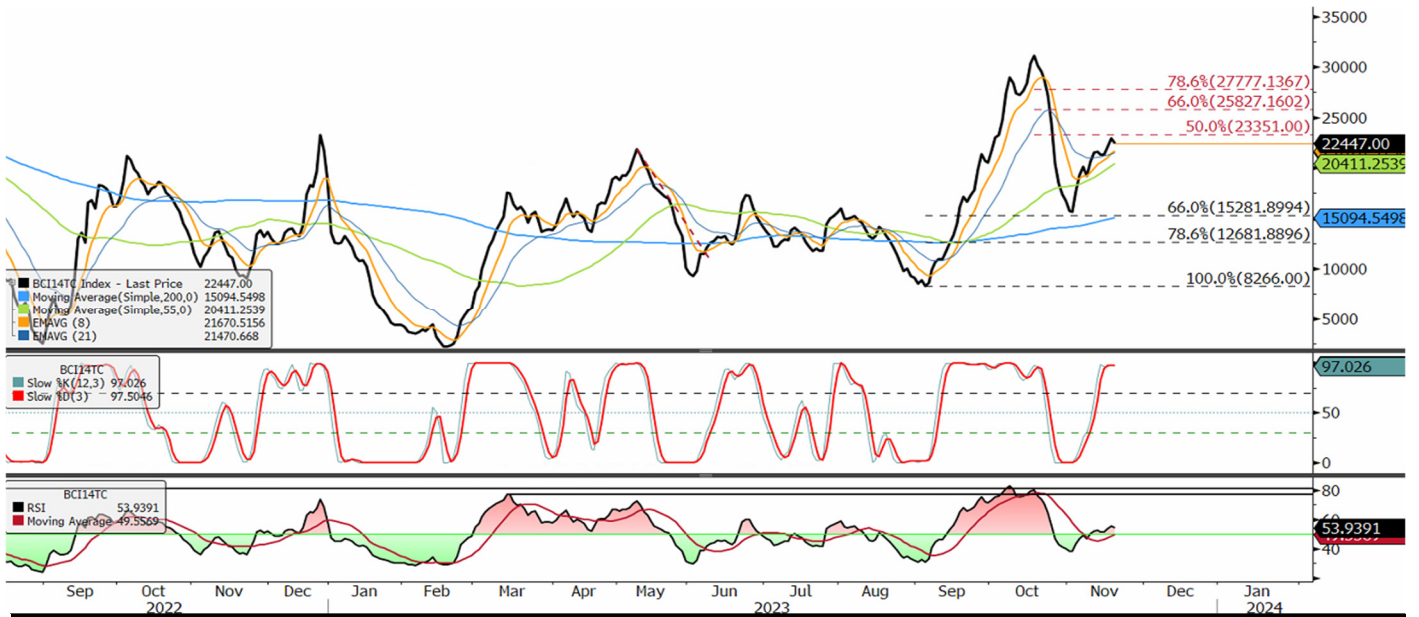
## Q1 24

Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The current intraday upside wave is greater than 161.8% than the previous wave, suggesting the intraday upside move looks to be bullish impulse, suggesting downside moves are potentially countertrend. However, we now have a negative divergence with the RSI warning we could see a momentum slowdown and enter a corrective phase. A close below USD 9,750 will warn that support levels come under pressure in the near-term. We are cautious on upside moves due to the intraday technical being in divergence.

## Cal 24

Neutral last week, the technical is now bullish having broken fractal resistance. The MA on the RSI continues to suggest that momentum is supported; however, the new high on the 17/11 has created a negative divergence with the RSI on the 1-hour intraday chart. Not a sell signal, it is a warning that we could see a momentum slowdown and enter a corrective phase, making USD 14,224 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. We re bullish but have a note of caution due to the intraday divergence, a close below USD 14,650 will warn that the futures have entered a corrective phase, meaning we could see support levels come under pressure in the near-term.

# Capesize Index

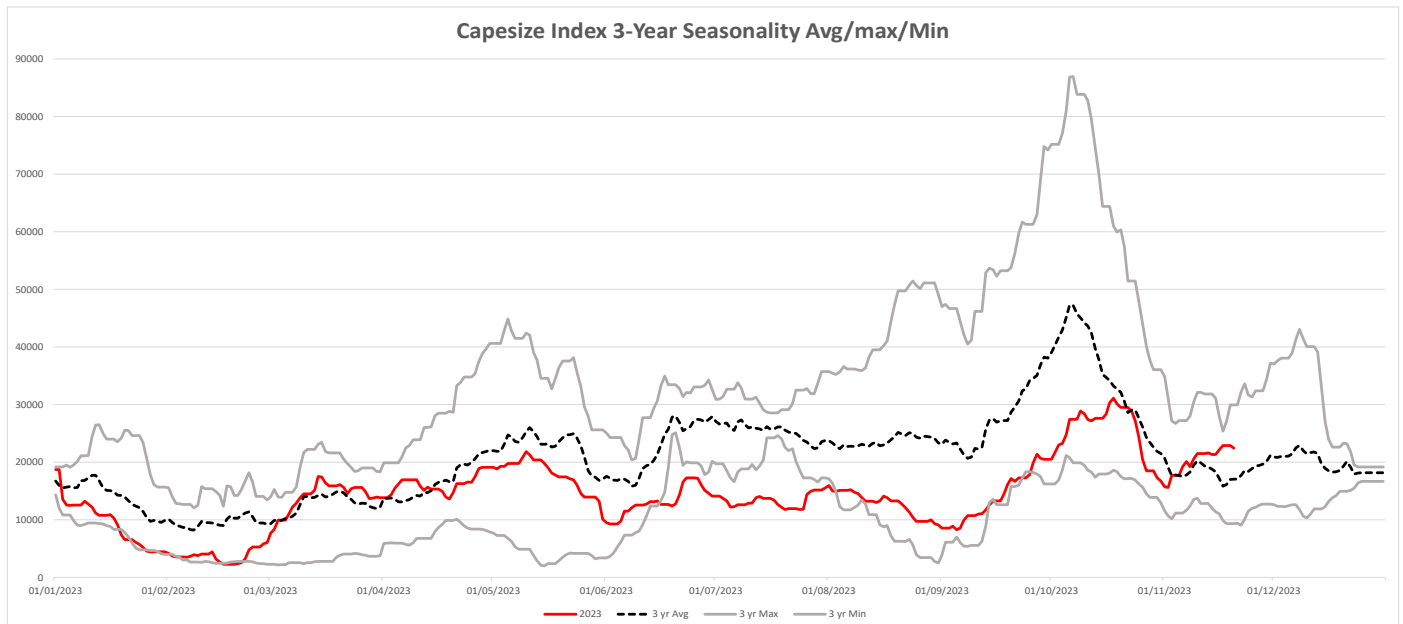


Support	Resistance	Current Price	Bull	Bear	
S1	15,281	R1	23,351	22,477	RSI above 50
S2	12,681	R2	25,827		
S3	8,266	R3	27,777		

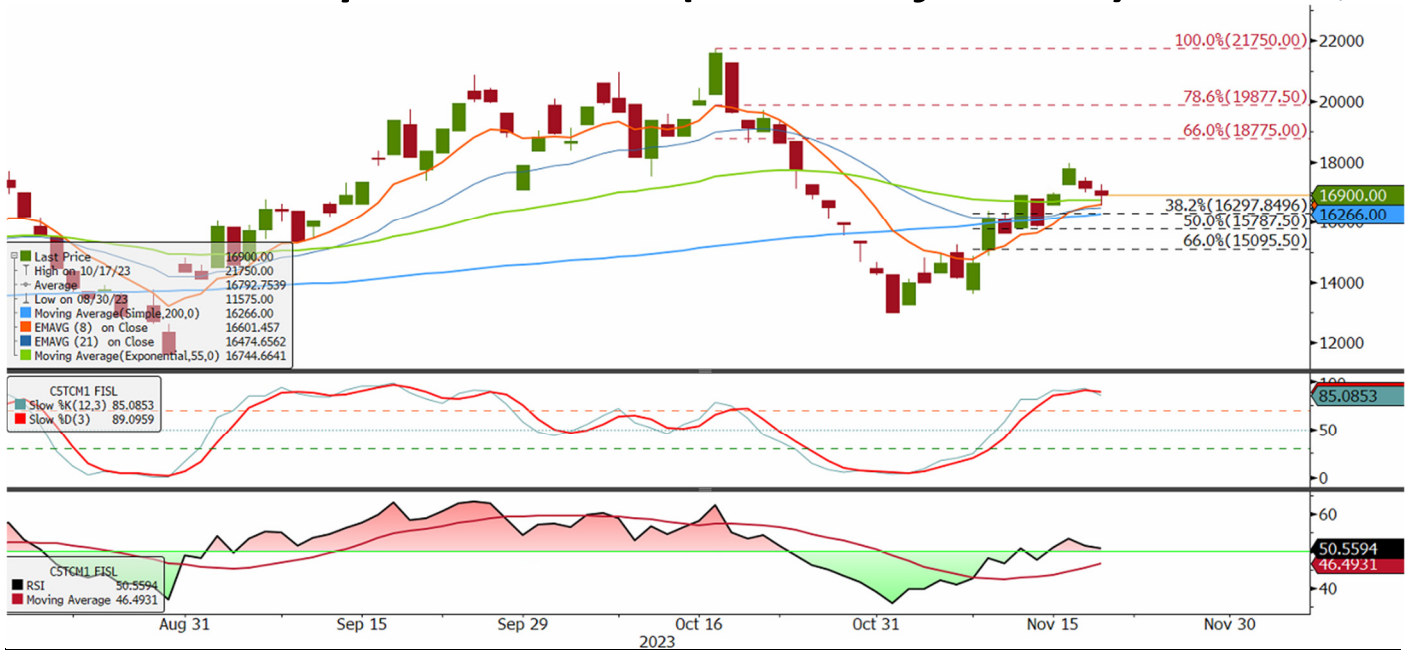
## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (53)
- Stochastic is above 50
- Technically bearish last week, having previously held above key support we had seen a move higher with price trading in the Fibonacci resistance zone. The RSI was above its MA; however, the MA continued to suggest that momentum remained weak, for this reason we maintained a cautious view on upside moves. Key resistance remained unchanged at USD 25,827, above this level the probability of the index trading to a new low would start to decrease. We have seen a small move higher with the index now testing the USD 23,351 resistance; however, we have seen a move lower today. 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 21,884 will mean it is aligned to the sell side. Downside moves that hold at or above USD 15,281 will warn that there is potentially a longer-term bull cycle in play. Likewise, upside moves that fail at or below USD 25,827 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically we remain bearish with price still in the Fibonacci resistance zone. Momentum based on price is aligned to the buy side at this point, if it becomes aligned to the sell side and we see a close below USD 21,344, then we could see support levels start to come under pressure. The MA on the RSI has started to turn higher, implying momentum is starting to find support. Key resistance remains at USD 25,827, if broken the probability of the futures trading to a new low will start to decrease.



# Capesize Dec 23 (1 Month forward)

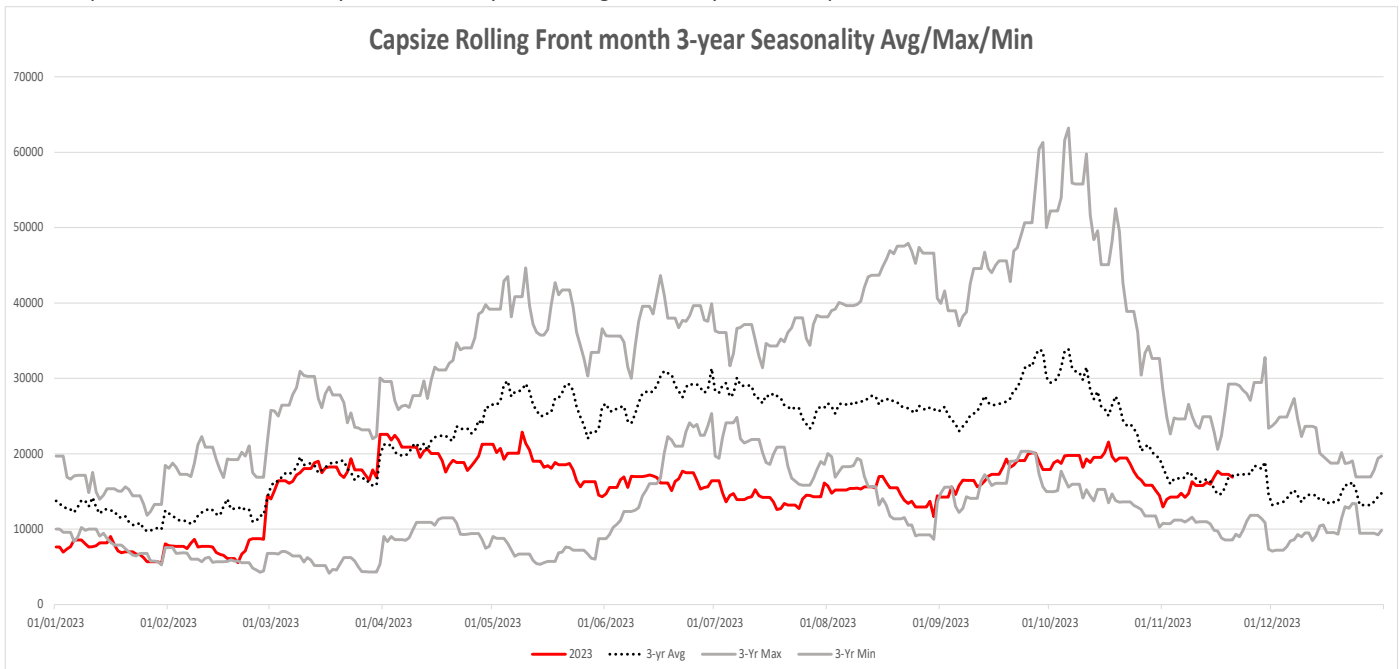


	Support	Resistance	Current Price	Bull	Bear
S1	16,297	R1	16,900		RSI below 50
S2	15,787	R2			
S3	15,095	R3			

## Synopsis - Intraday

- Price is between/above the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is above 50
- Unchanged on the technical last week, we remained bearish with intraday Elliott wave analysis suggesting upside moves should be considered as countertrend. The MA on the RSI on the intraday technical implied that momentum remains supported; however, the 1-hour RSI would be in divergence with the RSI above USD 16,375, indicating we were seeing warning signs that momentum could soon start to slow down, implying caution on upside moves above this level. The intraday divergence initially failed, resulting in the futures trading to a high of USD 17,950; however, price has started correcting again, we remain above all key moving averages supported by the RSI above 50.
- Upside moves that fail at or below USD 18,775 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 15,095 will warn that there could be a larger bull cycle coming into play, below this level we target the USD 13,625 – USD 13,000 fractal support zone.
- Technically we remain bearish; however, the MA on the RSI does continue to suggest that momentum is supported. The upside move from the low of USD 13,000 on the 01/11/23 now consists of 5 intraday waves that have ended with an intraday divergence. This is warning that support levels are potentially vulnerable here, making USD 15,095 the key support to follow. If we do hold above USD 15,095, it warns we could start a new bull cycle; likewise, if we trade to a new high, then we are looking at Elliott wave extension, as our oscillator cross below 50 is marginal. We remain cautious on upside moves at this point due to the intraday Elliott wave cycle looking like it may have completed for now.

Source Bloomberg



# Capesize Q1 24

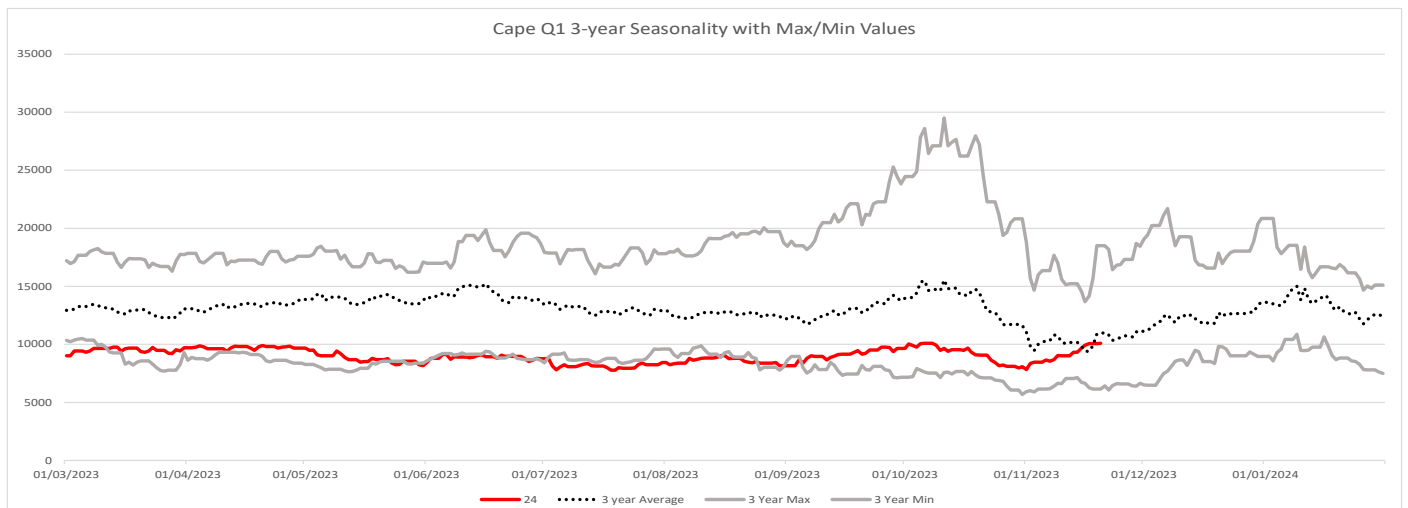


	Support	Resistance	Current Price	Bull	Bear	
S1	9,558	R1	10,125	RSI above 50	Stochastic overbought	
S2	9,337	R2				10,550
S3	9,037	R3				10,803

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (61)
- Stochastic is overbought
- Technically bearish last week with intraday Elliott wave analysis continuing to suggest that the upside move was potentially countertrend. The futures were nearing the USD 9,424 resistance, if broken, then the probability of the futures trading to a new low would start to decrease. The MA on the RSI had turned higher, implying momentum is supported; however, price was approaching a resistance area that formed between the second half of Sep and the first half of Dec (USD 9,450) that continued to suggest caution on upside moves. We traded above the USD 9,424 – USD 9,450 resistance zone, meaning that the probability of the futures trading to a new low has started to decrease. Price is above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 9,037 will support a near-term bull argument, below this level the USD 8,400 fractal support will be vulnerable. Likewise, upside moves above USD 10,300 will mean that the technical has entered bullish territory.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The MA on the RSI suggests that momentum is still supported, whilst the intraday upside wave that started on the 09/11/23 at USD 8,400, is now greater than 161.8% than the previous wave, warning that the intraday move looks to be bullish impulse. This would suggest that downside moves could potentially countertrend. However, the intraday 1-hour RSI is in divergence (and has been since we moved above USD 9,675), warning we could soon see a momentum slowdown and enter a corrective phase. A close on the daily chart below USD 9,750 will warn that support levels could come under pressure. We are cautious on upside moves due to the divergence that is in play.



# Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	14,551	R1	15,078	RSI above 50	Stochastic overbought
S2	14,412	R2	15,375		
S3	14,224	R3	15,557		

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (59)
- Stochastic is overbought
- Technically bearish with neutral bias last week due to the depth of the pullback, this warned that the probability of the futures trading to a new low had started to decrease. The MA on the RSI had started to turn higher, implying momentum was supported. The pullback had been deeper than expected, as the downside move implied that the technical was bearish impulse, suggesting the upside move would potentially be countertrend. Based on the unexpected strength of the upside move, we had a neutral view. The futures continued to move higher with price now in bullish territory. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 14,224 will support a bull argument, below this level the technical will have a neutral bias.
- Neutral last week, the futures are now in bullish territory, making USD 14,224 the key support to follow, if broken, then the probability of the futures trading to a new high would start to decrease. The MA on the RSI continues to suggest that momentum is supported at this point; however, the new high on the 17/11/23 has created an intraday divergence on the 1-hour technical, not a sell signal, it is a warning that we could see a momentum slowdown, warning we could be about to enter a corrective phase. Bullish, but with a note of caution, a close below USD 14,650 will warn that the futures have entered a corrective phase, meaning support levels could come under pressure in the near-term.

