



Capesize Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Index

Bearish with a neutral bias last week with price trading in the Fibonacci resistance zone. Momentum based on Price was aligned to the buy side with the MA on the RSI suggesting that momentum was supported. Having traded to a low of USD 20,029 the index held momentum support, resulting in price trading to new highs. Technically bullish, the new high has created a negative divergence with the RSI, not a sell signal it is a warning we could see a momentum slowdown. However, the RSI has moved above 64, a level that has previously signalled that the index could be about to go on a bullish run. This has historically been a powerful bull signal and warns that we could still see further upside within this move.

Dec 24

Bearish with a neutral bias last week, the MA on the RSI continued to suggest that momentum was supported. However, we had an intraday 5-wave pattern higher that had ended in divergence, warning that support levels were potentially vulnerable, making USD 15,095 the key support level to follow. If it held, it would warn that we could start a new bull cycle; likewise, a move above USD 17,950 would suggest that we would be seeing some form of wave extension, as our oscillator cross had been marginal. We remained cautious on upside moves, as the intraday cycle looked like it may have completed. The futures traded to a low of USD 16,125, meaning key support held, resulting in the futures trading to new highs, we now have a larger bull cycle in play. Technically bullish, the MA on the RSI is implying that momentum is supported whilst intraday Elliott wave analysis would suggest that downside moves should be considered as countertrend. There will be a question of the roll, as the Jan is trading below our key support, so it could end up being dec specific rather than the rolling front month. However, the Q1 is still bullish at this point.

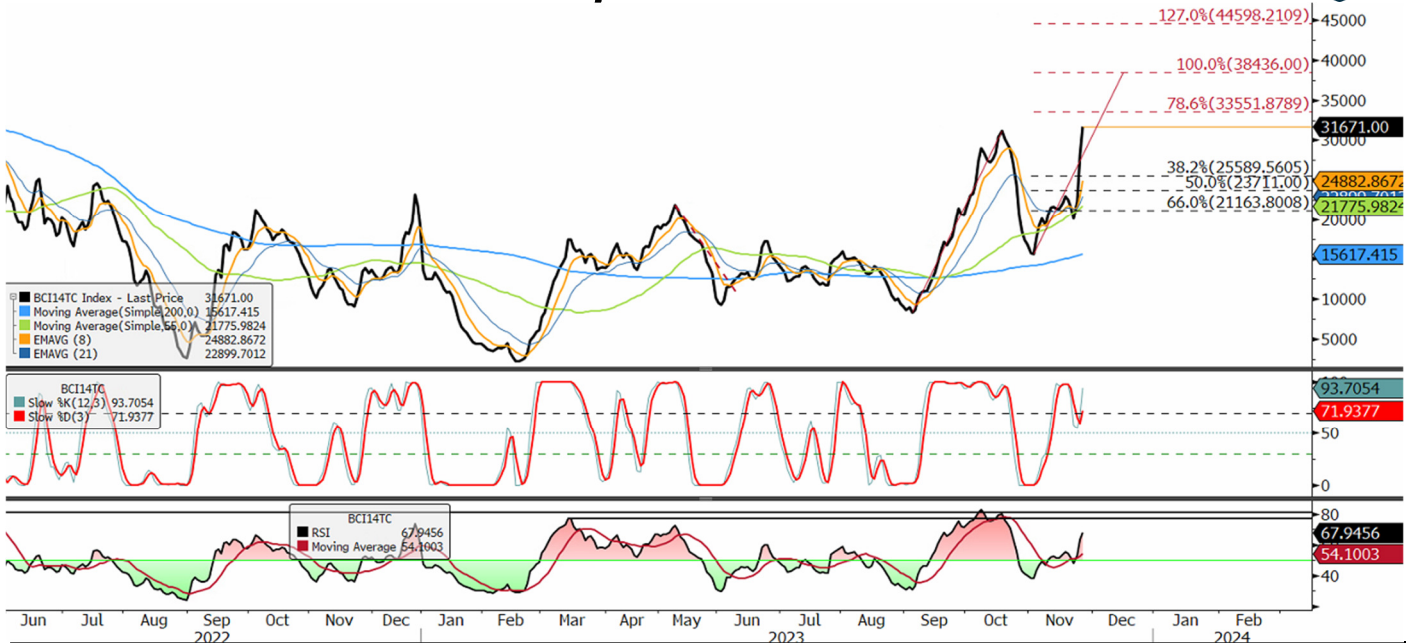
Q1 24

Bearish with a neutral bias last week, we noted that the move that started on the 09.11.23 was greater than 161.8% than that of the previous, suggesting it was bullish impulse, meaning downside moves should be considered as countertrend. There was a note of caution due to an intraday divergence in play; however, the futures failed to close below USD 9,750, resulting in price moving higher. We are now technically bullish with downside moves still considered as countertrend, due to the move being bullish impulse, alongside the RSI making new highs and a bullish intraday Elliott wave cycle.

Cal 24

Technically bullish last week with the MA on the RSI continuing to suggest that momentum was supported. However, like the Q1 24 we had a note of caution due to an intraday negative divergence. The futures failed to close below USD 14,650, resulting in further upside moves. We remain bullish with downside moves considered as countertrend based on our intraday Elliott wave analysis, the RSI making new highs, alongside the MA on the RSI suggesting momentum is still supported. Key support to follow is now at USD 14,802, if broken, then the probability trading to a new high will start to decrease.

Capesize Index

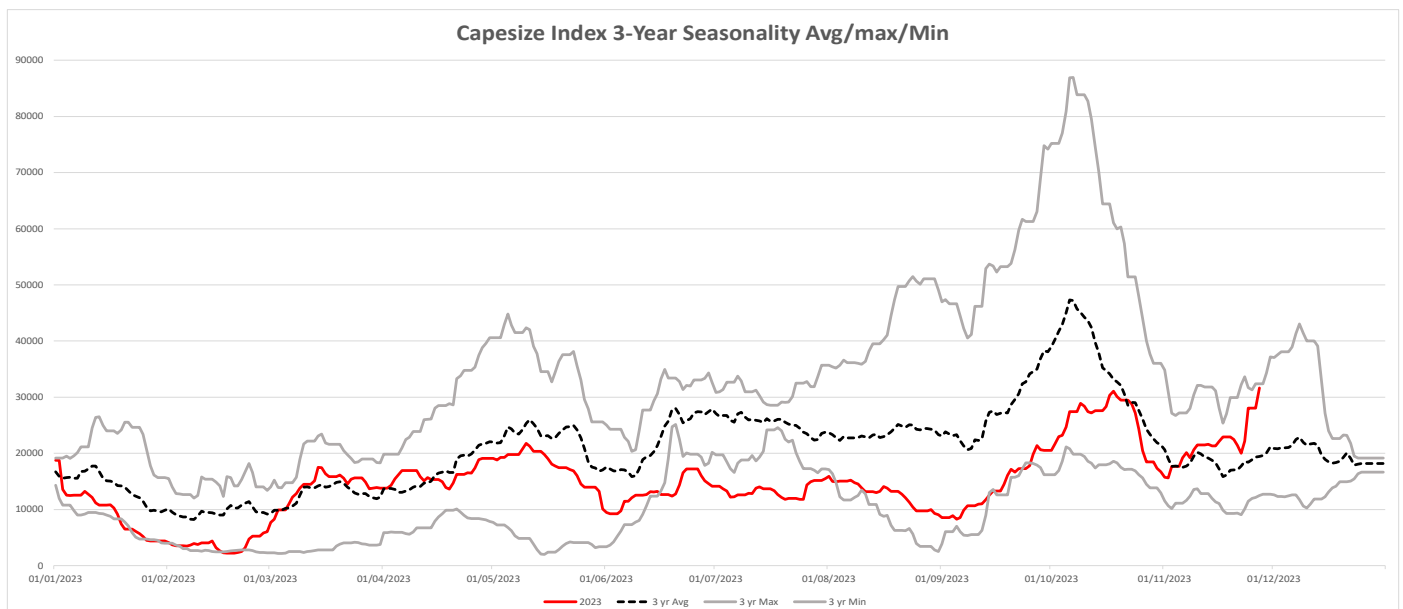


Support	Resistance	Current Price	Bull	Bear
S1	R1	61,671	RSI above 50	Stochastic above 50
25,589	33,551			
S2	R2			
23,711	38,436			
S3	R3			
21,163	44,598			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (67)
- Stochastic is above 50
- Technically we remained bearish last week with price still in the Fibonacci resistance zone. Momentum based on price was aligned to the buyside, if it became aligned to the sell side and we closed below USD 21,344, then we could have seen support levels start to come under pressure. The MA on the RSI had started to turn higher, implying momentum was starting to find support. Key resistance remained unchanged at USD 25,827, if broken the probability of the futures trading to a new low would start to decrease. The index traded to a low of USD 20,029 but held momentum support, resulting in the USD 25,827 resistance being broken. The new high today means that the technical is in bullish territory. Price is above all key moving averages supported by the RSI above 50.
- Momentum based on price remains aligned to the buyside, a close below USD 22,789 will mean it is aligned to the sell side. Downside moves that hold at or above USD 21,163 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the new high has created a negative divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown. Countering this, the RSI has moved above 64, a level that has previously resulting in the index going on a bullish run. We are in divergence but momentum has held support with the RSI moving above 50, this has historically been a powerful bull signal and warns that there is further upside within this move.



Capesize Dec 23 (1 Month forward)

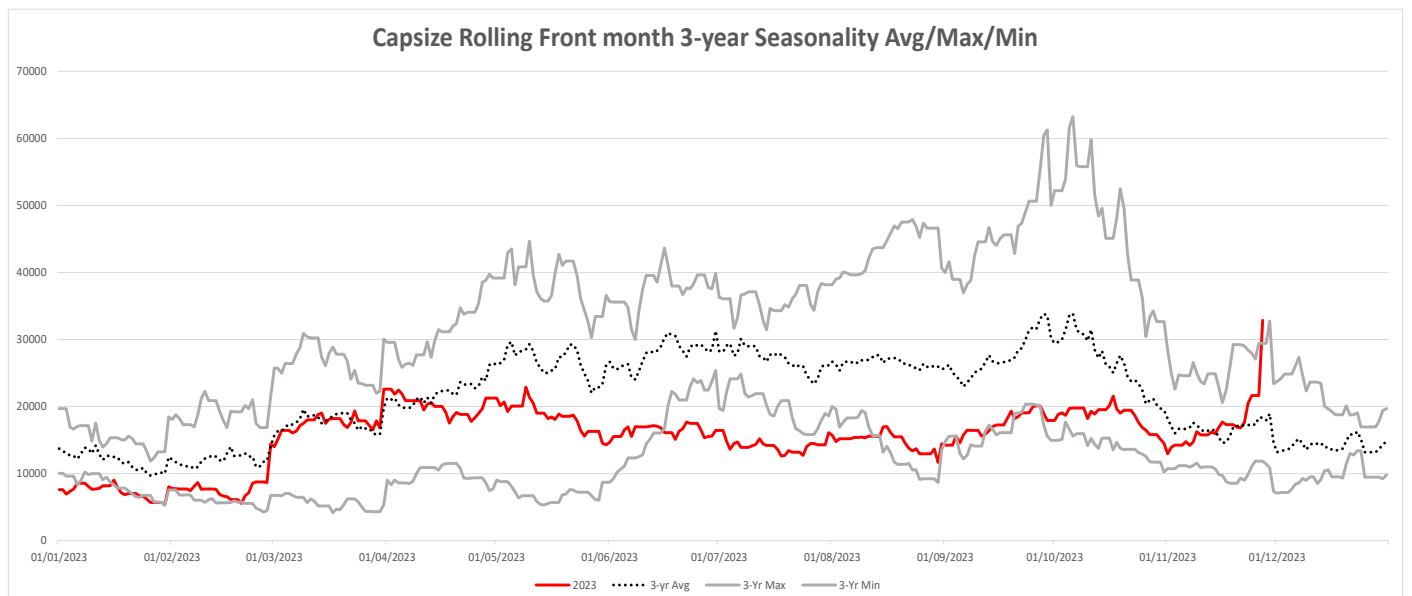


	Support	Resistance	Current Price	Bull	Bear
S1	20,899	R1	24,310	RSI above 50	Stochastic overbought
S2	19,987	R2	26,201		
S3	18,751	R3	27,326		

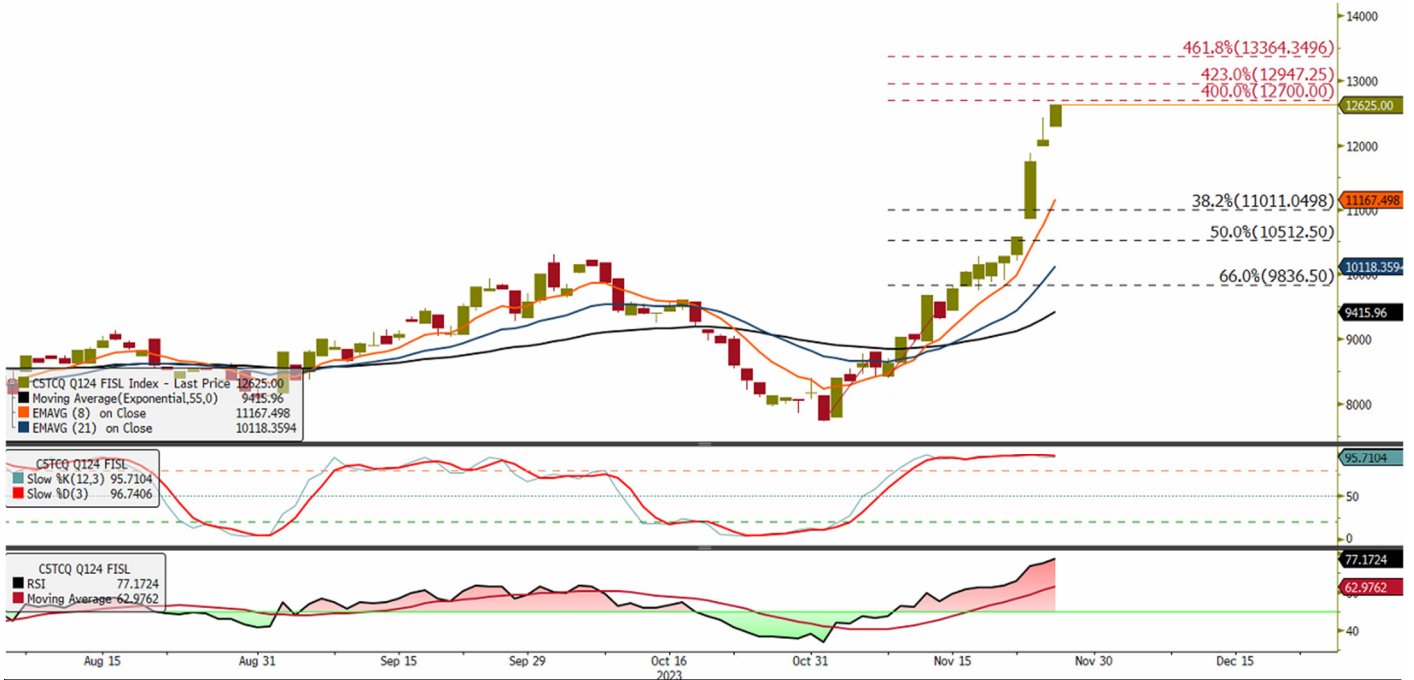
Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Technically we remained bearish last week; however, the MA on the RSI did continue to suggest that momentum was supported. The upside move from the low of USD 13,000 on the 01/11/23 had consisted of 5 intraday waves that had ended with an intraday divergence. This warned that support levels were potentially vulnerable, making USD 15,095 the key support to follow. If we held above USD 15,095, it warned that we could start a new bull cycle; likewise, if we traded to a new high, then we were looking at Elliott wave extension, as our oscillator cross below 50 was marginal. We remained cautious on upside moves due to the intraday Elliott wave cycle looking like it may have completed. The futures traded to a low of USD 16,125 before moving higher, meaning key support held. As noted on the morning intraday technicals, with support holding, the upside move had suggested that we would trade above the USD 17,950 level, meaning we were looking at wave extension. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,751 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is supported at this point. The RSI is making new highs whilst the intraday Elliott wave cycle is bullish, both suggest that downside moves should be considered as countertrend at this point. We also have the index RSI above 64, supporting a bullish technical.

Source Bloomberg



Capesize Q1 24

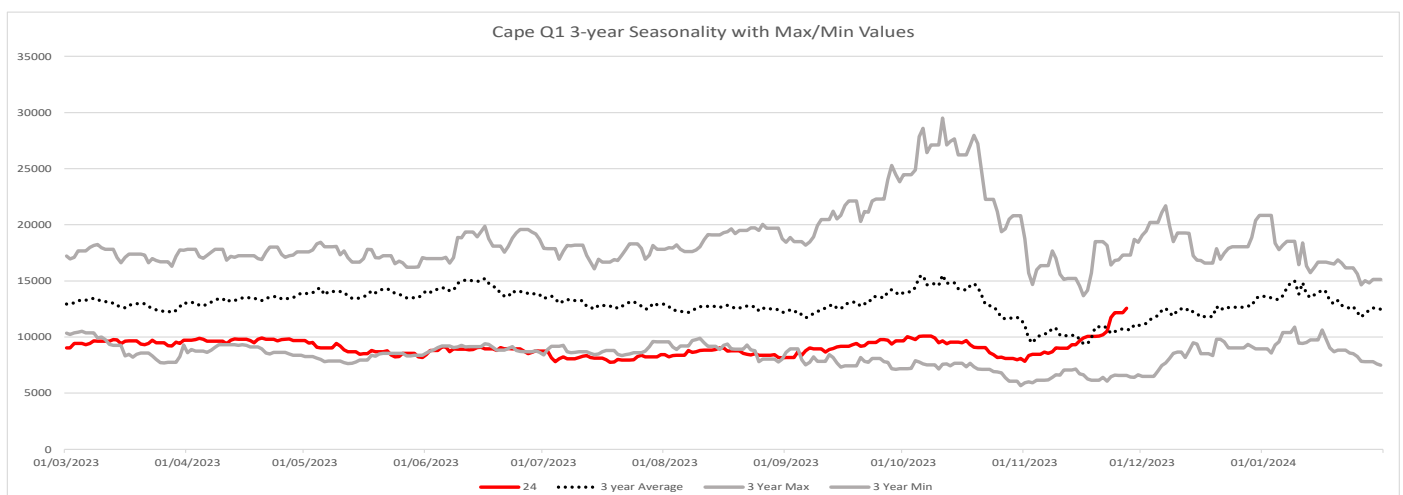


	Support	Resistance	Current Price	Bull	Bear
S1	11,011	R1	12,700	RSI above 50	Stochastic overbought
S2	10,512	R2	12,947		
S3	9,836	R3	13,364		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (77)
- Stochastic is overbought
- Technically bearish with a neutral bias last week, the probability of the futures trading to a new low had started to decrease. The MA on the RSI suggested that momentum was still supported, whilst the intraday upside wave that started on the 09/11/23 at USD 8,400, was greater than 161.8% than the previous wave, warning that the intraday move looked to be bullish impulse. This suggested that downside moves could potentially be countertrend. However, the intraday 1-hour RSI is in divergence (and has been since we moved above USD 9,675), warning we could 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 were cautious on upside moves due to the divergence that is in play. The futures did not close below USD 9,750, meaning we have remained in a bullish impulse move that has resulted 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 9,836 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish due to the futures trading to new highs, the MA on the RSI continues to suggest that momentum is supported. With the current bull wave greater than 161.8% than the previous wave, alongside the RSI making new highs and a bullish intraday Elliott wave cycle, we maintain our view that downside moves should be considered as countertrend at this point.



Capesize Cal 24



	Support	Resistance	Current Price	Bull	Bear
S1	15,601	R1	16,650	RSI above 50	Stochastic overbought
S2	15,262	R2			
S3	14,802	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (76)
- Stochastic is overbought
- Bullish last week with 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 continued to suggest that momentum was supported; however, the new high on the 17/11/23 had created an intraday divergence on the 1-hour technical, not a sell signal, it warned that we could see a momentum slowdown, meaning we could enter a corrective phase. Bullish, but with a note of caution, a close below USD 14,650 would warn that the futures had entered a corrective phase, meaning support levels could come under pressure in the near-term. The futures did not close below USD 14.650, resulting in further upside moves. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 14,802 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish with downside moves considered as countertrend based on our intraday Elliott wave analysis, the RSI making new highs and the MA on the RSI continuing to suggest that momentum is supported. Key support to follow is now at USD 14,802, if broken, then the probability trading to a new high will start to decrease.

