



Capesize Technical Report

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Index

Technically bearish last week, the index sold lower but failed to test the USD 11,727 support, resulting in price moving higher. We are now testing the 200-period MA (USD 19,141) whilst the RSI is testing its average. If we close above the average with the RSI moving up to 43, then resistance levels will start to look vulnerable. However, if the average holds and we close below the weekly pivot level (USD 17,197), then we could see support levels come back under pressure.

Feb 24

Technically bearish but in divergence on two different timeframes last week, resulting in the futures moving higher, meaning we now have a neutral bias. The probability of the futures trading to a new low has started to decrease, whilst the MA on the RSI is suggesting momentum is showing signs of light support. However, we have entered a corrective phase, making USD 11,710 the key support to follow, if broken, then the probability of the futures trading to a new high will start to decrease, as the technical will be back in bearish territory. If we close above the weekly pivot level (USD 13,083), then we could see momentum turning back to the buyside, as the RSI is above its MA.

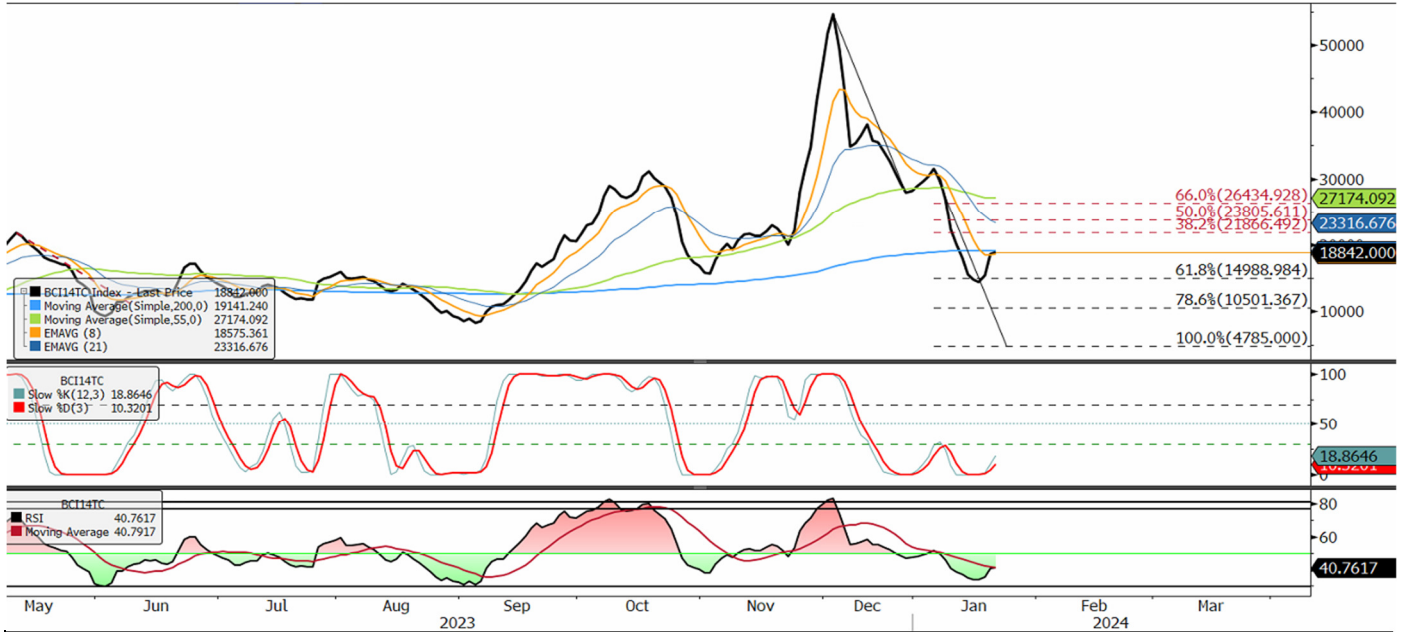
Q2 24

Bullish but in a corrective phase last week, momentum warned that support levels were still vulnerable. We did trade below USD 16,492, meaning the probability of the futures trading to a new high had started to decrease. However, this was immediately followed by a strong impulse move to a new high, meaning we did get the Elliott wave extension, despite the support breach. The new high has created a second divergence with the RSI, resulting in the futures entering back into a corrective phase. Due to the divergence, we are now cautious on upside moves. Key support is now at USD 17,558, if we hold above this level, we could still move higher; however, if broken, then the probability of the futures trading to a new high will start to decrease.

Cal 25

Technically bullish but in a corrective phase previously, the MA on the RSI warned that momentum remained weak, whilst the break in RSI support indicated that upside moves could struggle to hold. We did move higher but failed to make a new high with the futures now in a corrective phase. The MA on the RSI continues to warn of momentum weakness and is currently in the process of rejecting its average, warning support levels are vulnerable. Key support is now at USD 17,052, if we hold above this level, then we could still move higher; if broken, it will warn that we could be entering a higher timeframe Elliott wave corrective phase.

Capesize Index

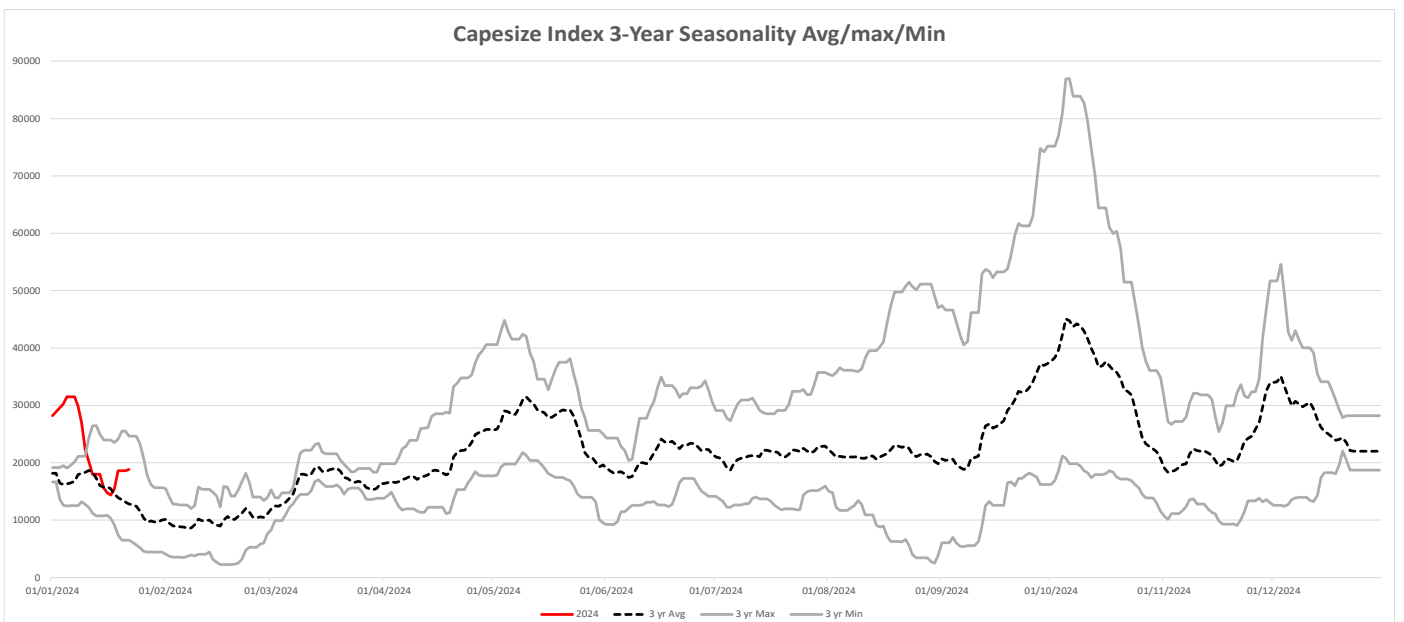


	Support	Resistance	Current Price	Bull	Bear
S1	14,988	R1	21,116	18,842	Stochastic oversold
S2	10,501	R2	23,198		
S3	4,785	R3	26,022		
					RSI below 50

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is above the weekly pivot point (USD 17,197)
- Technically bearish last week with price below the 200-period moving average, the MA on the RSI continued to suggest that momentum is weak, meaning support levels remained vulnerable. We had RSI support at 30.56 with the latest move lower covering USD 953 for every one point that the RSI has decreased, suggesting that we have the potential to move USD 3,862 lower before testing the RSI support, making USD 11,727 a potential area of support if tested. The futures traded to a low of USD 14,375 before finding bid support and moving higher. Price is between the 8-21 period EMA's with the RSI below 50.
- Momentum based on price is aligned to the buyside, a close below USD 15,979 will mean it is aligned to the sell side. Upside moves that fail at or below USD 26,022 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- We remain technically bearish, the MA on the RSI suggests that momentum remains weak; however, the RSI is testing the average whilst price is testing the 200-period MA (USD 19,141). If we can close above and hold above the USD 19,141 level with the RSI at or above 43 then resistance levels will become vulnerable. Likewise, if we reject the average, and close below the weekly pivot level (USD 17,197), it will warn that the USD 15,979 level could be tested and broken. If it is, then the USD 14,375 fractal low will become a target for market bears.



Capesize Feb 24 (1 Month forward)

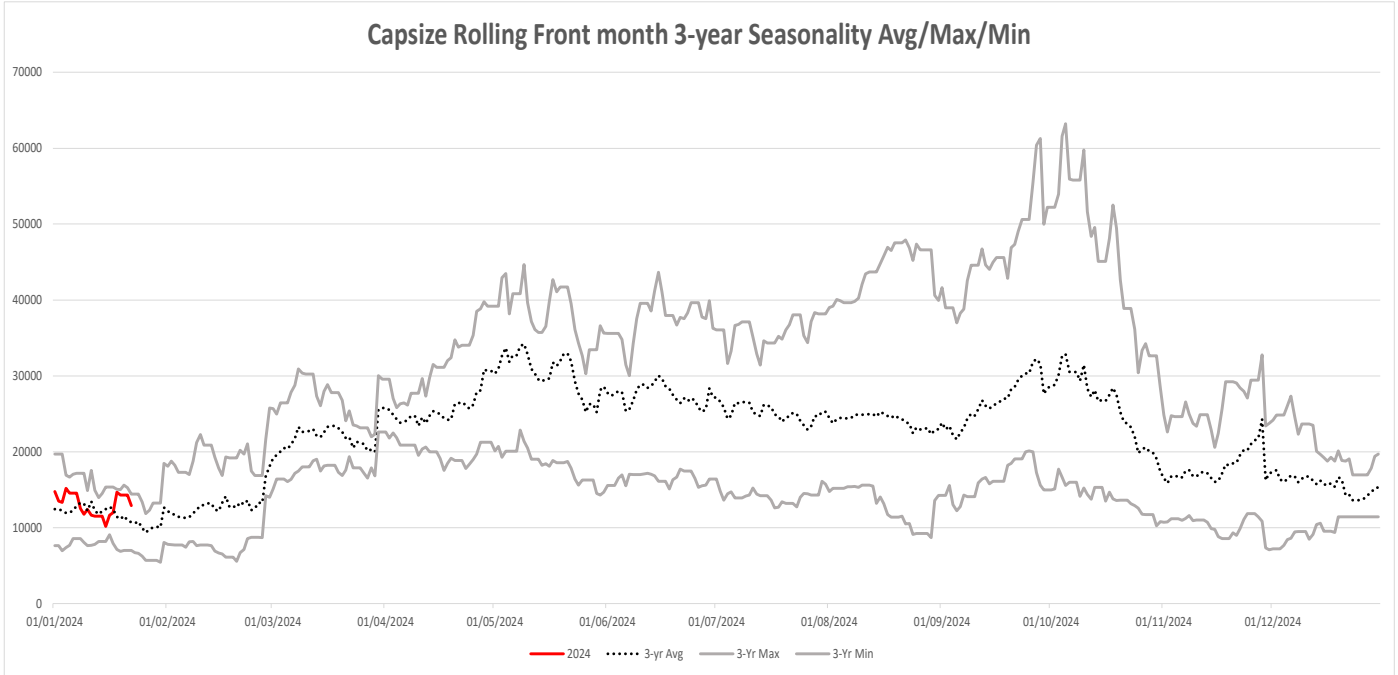


	Support	Resistance	Current Price	Bull	Bear
S1	11,710	R1	12,850		RSI below 50
S2	10,048	R2			
S3	8,499	R3			

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (456)
- Stochastic is oversold
- Technically bearish last week, the new low meant that that we were in divergence with the RSI on both the daily and intraday timeframes. Not a buy signal, it warned that we had the potential to see a momentum slowdown which needed to be monitored, making USD 14,135 the key resistance to follow. Upside moves above this level would warn that the probability of the futures trading to a new low would start to decrease. The futures traded to a high of USD 15,175, meaning the technical although bearish, now has a neutral bias. We have sold lower in the last two sessions, meaning we are below the 8-21 period EMA's with the RSI below 50.
- Downside moves that hold at or above USD 11,710 will support a near-term bull argument, if broken, then the USD 9,825 low will become vulnerable.
- Technically bearish with a neutral bias (bullish on the intraday, as we broke a lower timeframe fractal resistance). The futures are correcting lower with the RSI below the 50 level; however, the RSI is above its MA which is showing signs of light bid support. USD 11,710 is the key support to follow, if this level is broken, then the technical will be back in bearish territory. If we can close above and hold above USD 13,083 (weekly pivot level), then we could see momentum moving back to the buyside, as the RSI is still holding above its average.

Source Bloomberg



Capesize Q2 24

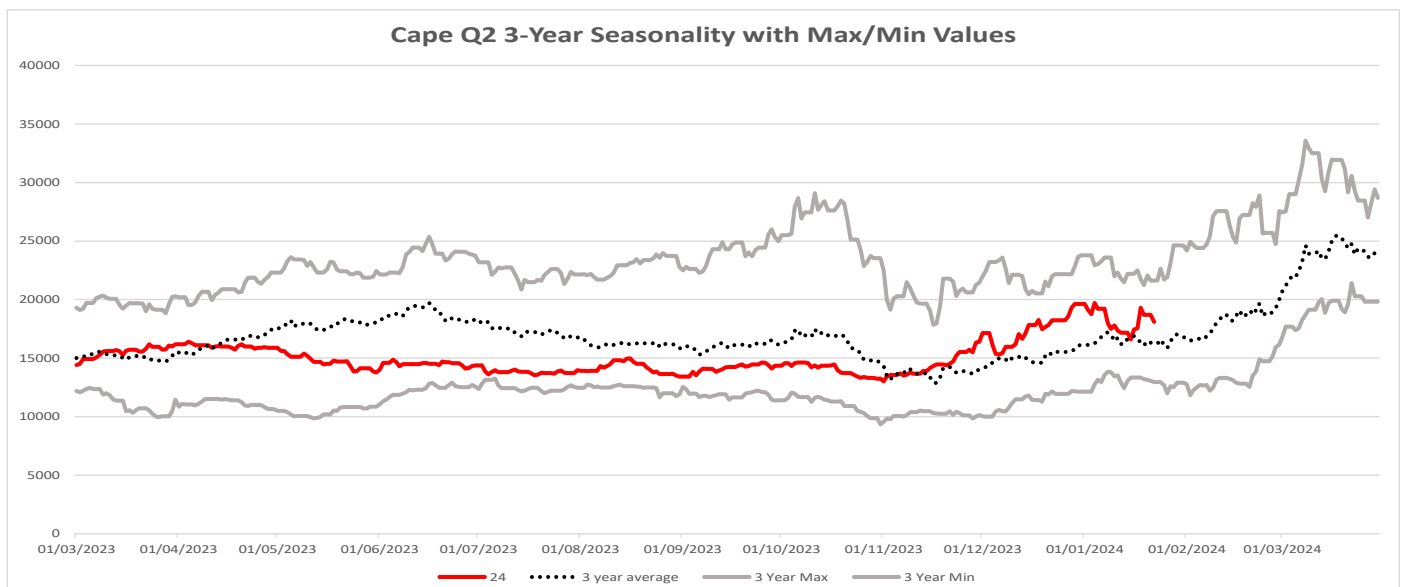


Support		Resistance		Current Price	Bull	Bear
S1	18,150	R1	20,000	18,100	RSI above 50	
S2	17,558	R2	20,533			
S3	17,091	R3	21,684			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA
- RSI is below 50 (54)
- Stochastic is above 50
- Technically bullish last week, we remained in a corrective phase with the MA on the RSI implying that momentum remained weak, indicating support levels were still vulnerable. The RSI had also broken support levels, warning resistance levels could hold if tested in the near-term. We were at an inflection point, if we traded below USD 16,492, then the probability of the futures trading to a new high would start to decrease. This would also suggest that there would be a reduced chance of there being a bullish, higher timeframe Elliott wave cycle in play. The futures broke the USD 16,492 support and then traded USD 3,700 higher in the following 3 sessions to a new high. Price is now moving lower again with price between the 8-21 period EMA's whilst the is still RSI above 50.
- Downside moves that hold at or above USD 17,558 will support a bull argument, below this level the technical will have a neutral bias.
- Technically we are bullish, the move to a new high has signalled that we are seeing an Elliott wave extension; however, this also created a negative divergence with the RSI. Not a sell signal, it is a warning that we had the potential to see a momentum slowdown, resulting in the futures entering a corrective phase. Due to the divergence, we are cautious on upside moves. If we hold above USD 17,558, then we have the potential to move higher; if broken, then the probability of the futures trading to a new high will start to decrease.



Capesize Cal 25



	Support	Resistance	Current Price	Bull	Bear
S1	17,052	R1	17,450	RSI above 50	
S2	16,137	R2			
S3	15,469	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (56)
- Stochastic is oversold
- Technically bullish but in a corrective phase last week, the MA on the RSI indicated that momentum remained weak at this point, whilst the RSI had broken support levels. This suggested that upside moves had the potential to be countertrend in the near-term, implying any move higher could struggle to hold. However, the longer-term technical is indicating that we are currently in a higher timeframe corrective Elliott wave 4, making USD 15,469 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. The futures moved higher with the Rest of the Capesize complex, but we failed to make a new high, resulting in the futures selling USD 675 lower from the USD 18,125 level. We are above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 17,052 will support a bull argument, below this level the USD 16,500 fractal support will start to become vulnerable.
- Technically bullish, the futures are back in a corrective phase. The MA on the RSI continues to warn of momentum weakness, the RSI is currently in the process of rejecting the average, implying support levels are vulnerable. Key near-term support is at USD 17,052, if we hold above this level, then we have the potential to move higher. However, if it is broken, it will warn that we could be entering into a higher timeframe Elliott wave corrective phase. If this is the case, then key support to follow is USD 15,469.

