



# Capesize Technical Report

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

## Index

Technically bearish, we held the weekly pivot point and closed above the 200-period MA last week, meaning the base of the Fibonacci resistance zone is coming under pressure. However, for upside continuation, we need to hold above the USD 19,320 – USD 19,086 support zone, and see the RSI move above and hold above the 50 level. If we do, we could see the USD 26,022 resistance come under pressure, if we close below the support zone, then we have the potential to move lower.

## March 22

Technically bullish last week with momentum indicators suggesting downside moves should be considered as countertrend. We traded to a new high, corrected and held the support zone, before testing but failing to make a new high. This would suggest that downside moves in theory still have the potential to be countertrend based on the intraday Elliott wave cycle; if we do trade above the USD 22,325 fractal high, then we could trade as high as USD 26,475 for this phase of the cycle. However, a new high will create a negative divergence with the RSI, not a sell signal it is a warning that we could see a momentum slowdown which will need to be monitored.

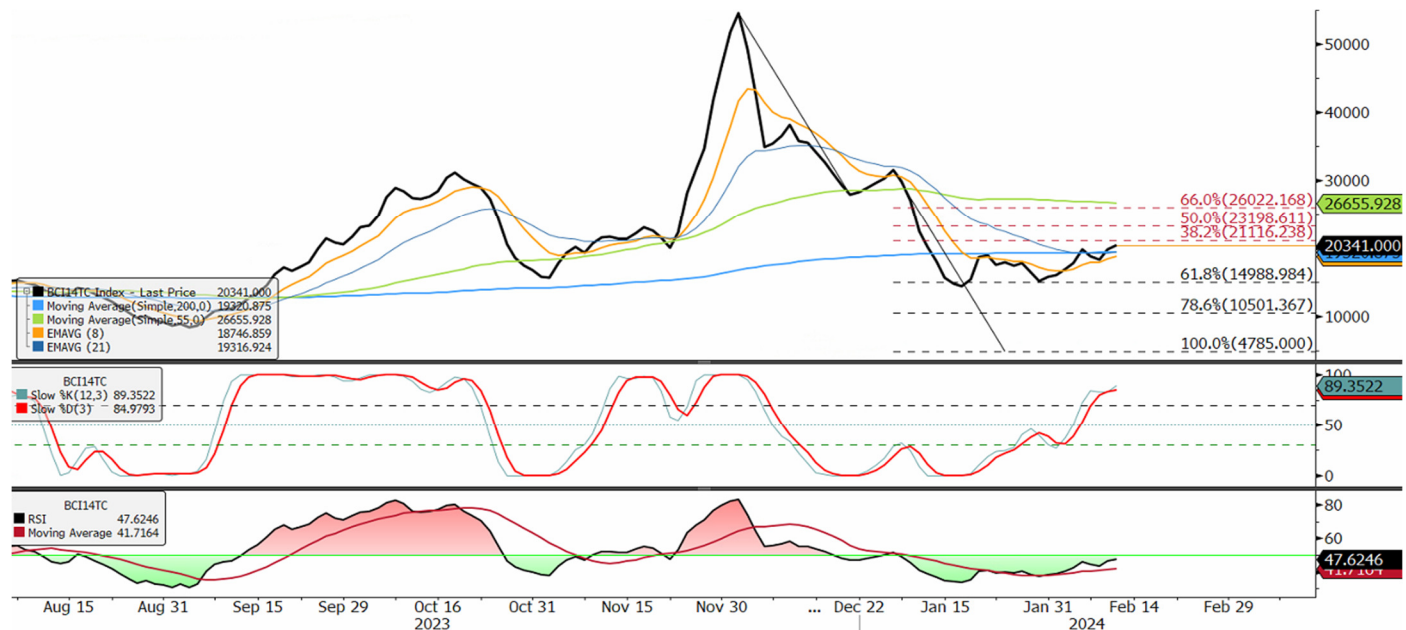
## Q2 22

Technically bullish, lower timeframe intraday Elliott wave analysis is suggesting we have a potential upside target at USD 27,315 for this phase of the cycle. However, we remain in divergence warning we could see buy-side momentum slowdown, which we will need to monitor. We also have a higher timeframe Elliott wave cycle in play that continues to suggest that downside moves should be considered as countertrend, making USD 19,105 the key support to follow.

## Cal 25

As noted on page 5, this technical is more complex as we have traded to a new high and had the technical pullback; however, unlike the Q2 we have not traded back to a new high. The lower timeframe Elliott wave cycle continues to warn that downside moves could be considered as countertrend with a potential upside target at USD 21,380 for this phase of the cycle. Key near-term support is at USD 17,741, if broken it will warn that we are in a higher timeframe corrective phase, that is still considered as countertrend. In theory, we should trade to a new high before moving lower, but we are in divergence having broken a parabolic trend support, meaning we are a little cautious on moves higher at this point.

# Capesize Index

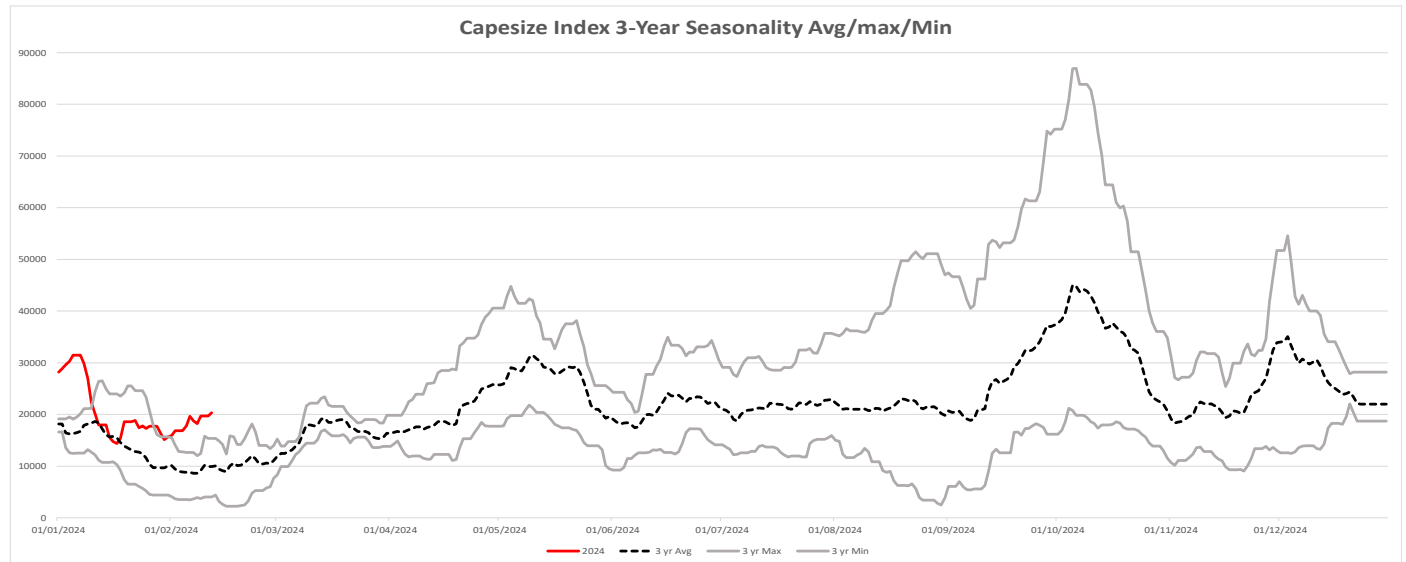


Support	Resistance	Current Price	Bull	Bear
S1	R1	20,341		RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic overbought
- Price is above the weekly pivot point (USD 19,086)
- Technically we were still bearish based on price last week; however, the index had opened above the week's pivot level (USD 16,268), supporting the near-term upside move we were seeing. The MA on the RSI had a slight turn to the upside, warning of light momentum support. Coupled with price above the weekly pivot point, this warned that the 200-period MA at USD 19,212 could be tested and broken. If we closed above and held above the average, then the Fibonacci resistance zone could come under pressure; likewise, a rejection of the average will warn that support levels remained vulnerable. The index moved higher with price now approaching the USD 21,146 Fibonacci resistance. We are 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 19,086 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.
- Technically bearish, the index has moved higher with price above the 200-period MA (USD 19,320) and the weekly pivot level (USD 19,086), the MA on the RSI continues to warn of light bid support. The Fibonacci resistance zone is starting to look vulnerable; however, for upside continuation the index needs to hold above the USD 19,320 – USD 19,086 support zone, and see the RSI move above and hold above 50. If we do, then we have the potential to test the USD 26,022 resistance. If we close below the support zone and the RSI remains below 50, then we have the potential to move lower.



# Capesize March 24 (1 Month forward)

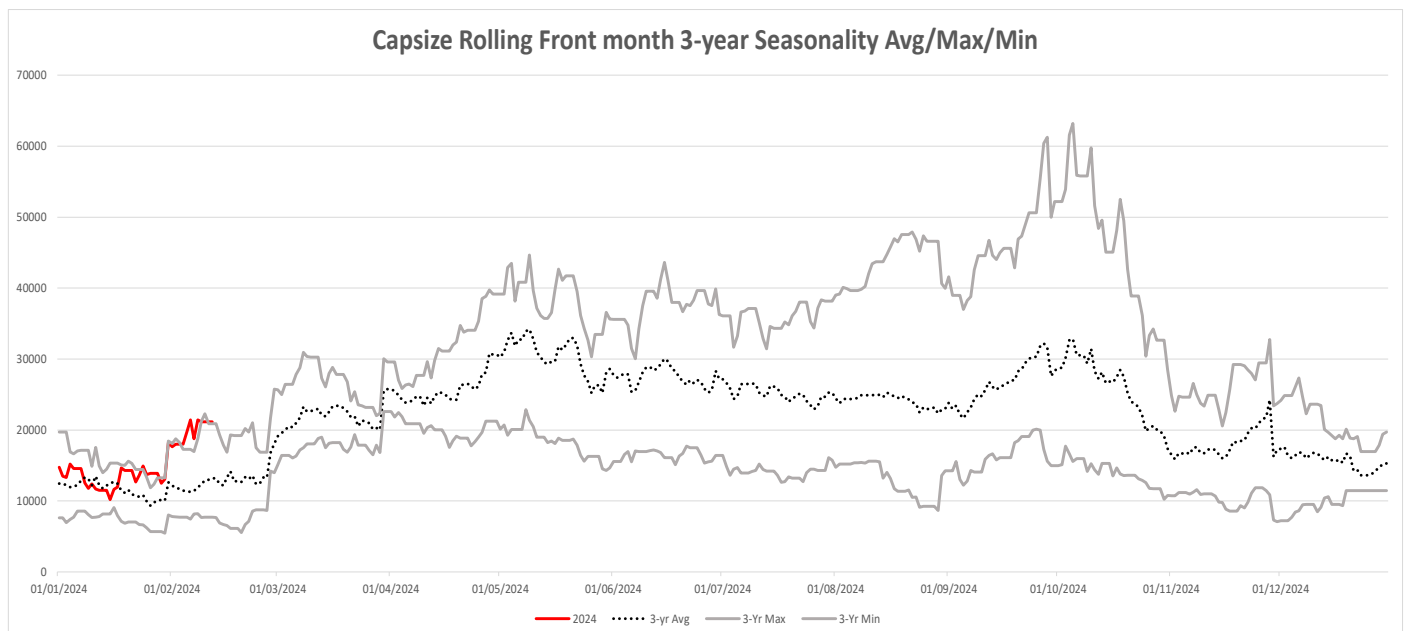


	Support	Resistance	Current Price	Bull	Bear
S1	18,380	R1	21,125	RSI above 50	Stochastic overbought
S2	17,162	R2			
S3	15,510	R3			

## Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum was supported, whilst the futures were holding above the 200-period MA (USD 16,437) with the weekly pivot point at USD 16,216. We noted that if we looked at the intraday technical, we could see that the RSI was making new highs, suggesting downside support levels should hold if tested (I.E., be countertrend), making USD 16,660 the key level to follow. If broken, then the probability of the futures trading to a new high would start to decrease. The futures traded to a high of USD 22,325 before pulling back but holding above the Fibonacci support zone, resulting in the futures trading back up to USD 22,250. We remain above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 15,510 will support bull argument, if broken, then the technical will have a neutral bias.
- Technically bullish, the MA on the RSI continues to suggest that momentum is supported. We are yet to trade to a new high, meaning downside moves still have the potential to be countertrend at this point. If we do trade above USD 22,325, then we have a possible upside target at USD 26,475 for this phase of the Elliott wave cycle. However, a new high will create a positive divergence with the RSI, not a sell signal it is a warning that we could see a momentum slowdown which will need to be monitored.

Source Bloomberg



# Capesize Q2 24

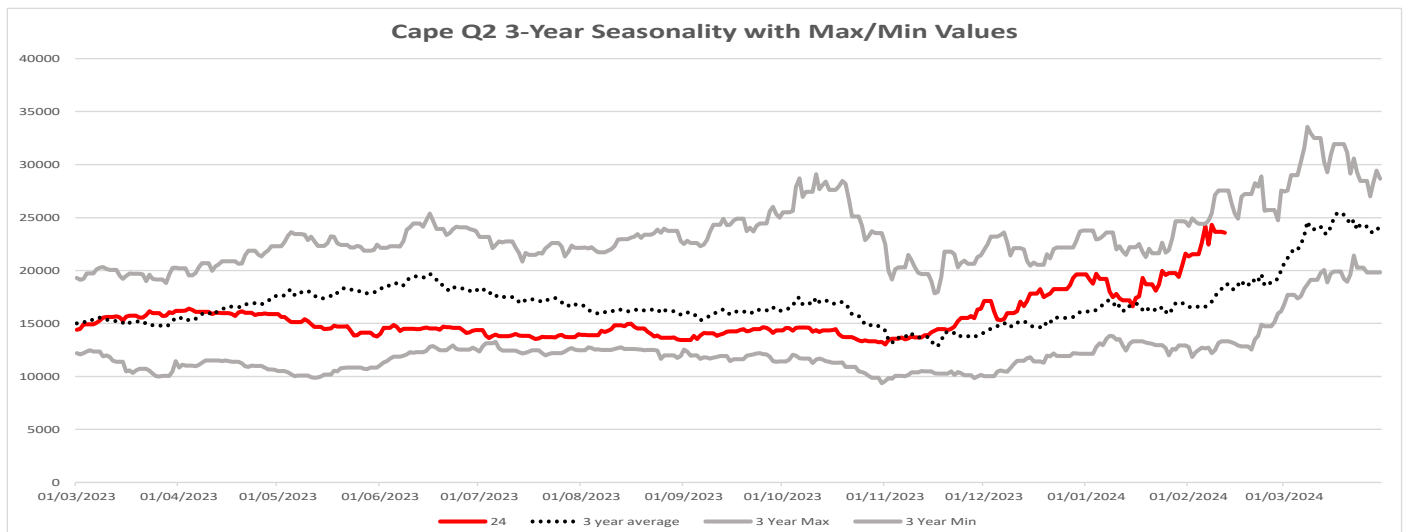


	Support	Resistance	Current Price	Bull	Bear
S1	21,398	R1	23,500	RSI above 50	Stochastic overbought
S2	20,425	R2			
S3	19,105	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (63)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI indicated momentum was supported but the RSI was in divergence. This was not a sell signal, but it did warn that we could see a momentum slowdown which needed to be monitored. Countering this, we'd had a potential upside target at USD 20,533 for this phase of the cycle last week, which had been broken by a significant margin. The continued strength of the upside moves suggested that we were seeing an Elliott wave extension. We were in divergence on the daily chart, but the near-term intraday RSI was making new highs, suggesting downside moves should be considered as countertrend, making USD 18,620 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease. The futures traded to a high of USD 24,375 on the 05/02 before trading back down to USD 22,300, support held resulting in price trading back to a high of USD 24,550. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 19,105 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, based on lower timeframe Elliott wave analysis we have a potential upside target at USD 27,315 for this phase of the cycle; however, the futures are still in divergence, warning we could see a momentum slowdown. From a higher timeframe Elliott wave perspective, downside moves are still considered as countertrend, making USD 19,105 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. A cautious bull due to the divergence in play.



# Capesize Cal 25



	Support	Resistance	Current Price	Bull	Bear	
S1	18,755	R1	19,625	RSI above 50	Stochastic overbought	
S2	18,325	R2				20,950
S3	17,741	R3				21,380

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (64)
- Stochastic is overbought
- Like the Q2 futures last week, we had traded to new highs with the MA on the RSI indicating momentum was supported. We also had the same intraday footprint, as the near-term RSI was making new highs, suggesting downside looked like they could be countertrend, meaning we are looking at a bullish Elliott wave extension. The daily technical remained in divergence with the RSI, warning we could see a momentum slowdown; however, based on the intraday wave cycle, moves lower should be against the trend, making USD 17,562 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease. We traded to a new high of USD 20,150 before trading back to USD 19,125; however, unlike the Q2 we have not traded back up to new highs. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 17,741 will support a bull argument, below this level the technical will have a neutral bias.
- This technical is more complex, we are bullish but have not traded to a second new high (like the Q2). The lower timeframe Elliott wave cycle continues to warn that downside moves could be countertrend, with a potential upside target at USD 23,180 for this phase of the cycle. If we do trade below USD 17,741, it will warn we are in a higher timeframe corrective phase (still countertrend), making USD 16,124 the key support to follow. We should in theory move higher in the near-term; however, we have broken a parabolic trend support with price in divergence, meaning we are a little cautious on upside moves.

