



Capesize Technical Report

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Index

Unchanged on the technical this week, we remain bearish with price above the 200-period MA and the weekly pivot level (USD 19,373 – USD 20,230); however, the RSI is still below 50. If the RSI moves above 50 it will warn that the USD 26,022 resistance could be tested. Likewise, if the support zone is broken whilst the RSI is below 50, we will be vulnerable to a move lower.

March 24

The futures have traded to a new high meaning the bullish technical is now in 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. We maintain a potential upside target at USD 26,475 based on our intraday Elliott wave analysis; however, due to the divergence we maintain a cautious view on upside moves at this point.

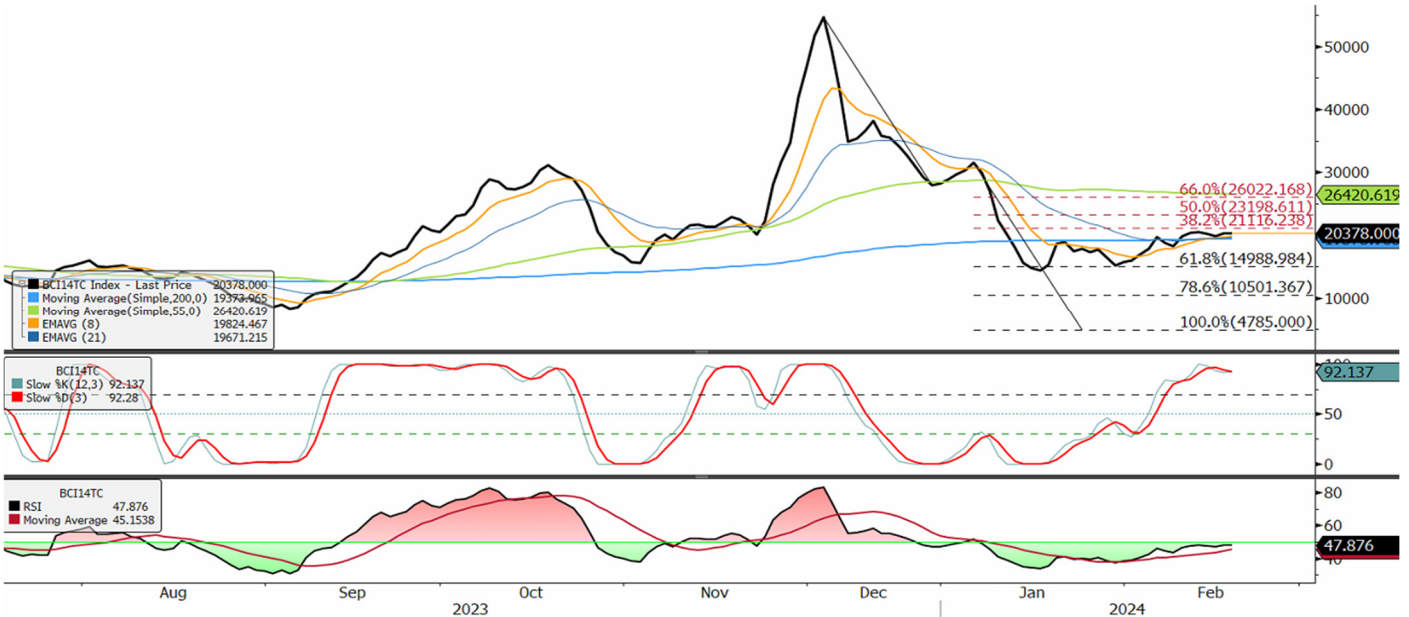
Q2 24

Little has changed in the technical since last week, we remain in a bullish trending environment with the futures trading to new highs, we maintain a potential upside target at USD 27,135. However, the futures remain in divergence with the RSI, warning we have the potential to see a momentum slowdown. Key support is now at USD 19,215, a move below this level will warn that the probability of the futures trading to a new high will start to decrease.

Cal 25

Unchanged on the technical this week, the futures have moved higher in line with the lower timeframe wave cycle, despite the divergence and the previous break in the Parabolic trend support. In theory, the Elliott wave analysis would suggest that we trade above the USD 20,150 high with a potential upside target at USD 21,380 for this phase of the cycle. However, a new high will create a negative divergence with the RSI, warning we have the potential to see a momentum slowdown, which will need to be monitored. Like last week we maintain our view that downside moves look like they could be countertrend based on our higher timeframe Elliott wave analysis.

Capesize Index

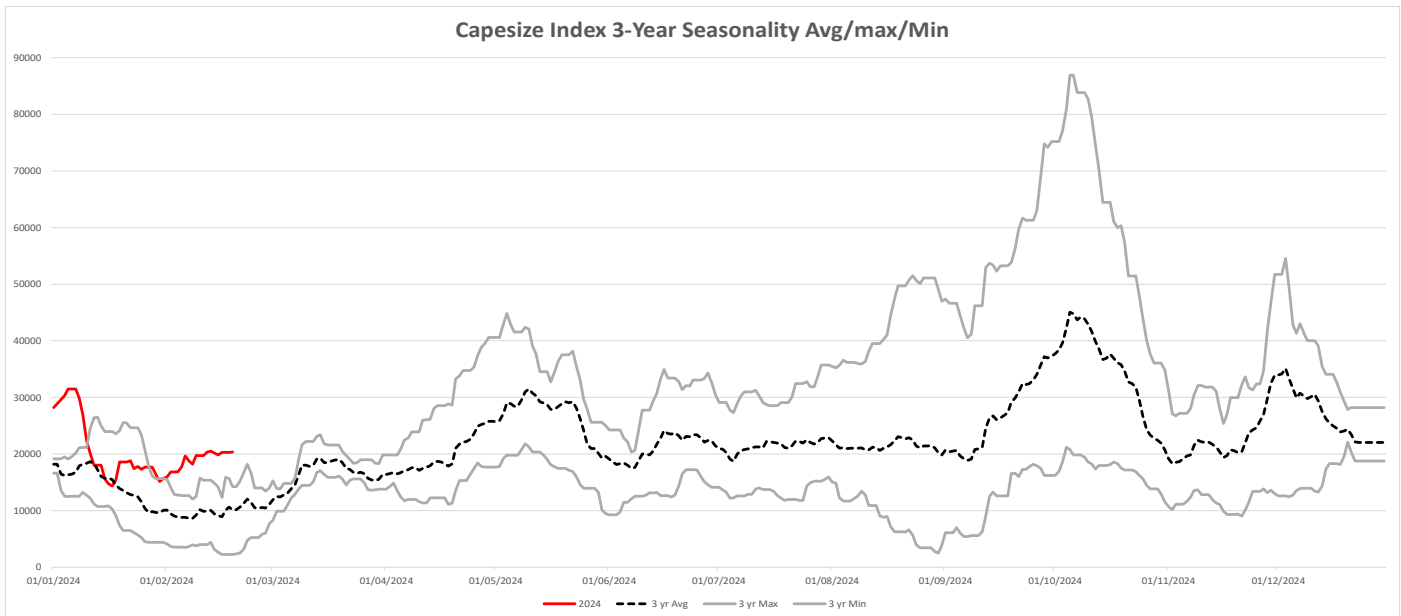


Support	Resistance	Current Price	Bull	Bear
S1	R1	20,378		RSI below 50
S2	R2			
S3	R3			

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 20,230)
- Technically bearish last week, the index had 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 continued to warn of light bid support. The Fibonacci resistance zone was starting to look vulnerable; however, for upside continuation the index needed to hold above the USD 19,320 – USD 19,086 support zone, and see the RSI move above and hold above 50. If we did, then we had the potential to test the USD 26,022 resistance. If we closed below the support zone and the RSI remained below 50, then we had the potential to move lower. The index is moving sideways with price holding above all key moving averages; however, the RSI remains below 50.
- Momentum based on price is aligned to the buy side, a close below USD 20,110 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.
- Unchanged on the technical this week, we remain bearish with price above the 200-period MA (USD 19,373) and the weekly pivot level (USD 20,230) which is acting as a support zone. Like last week, we need to see the RSI move above 50 for upside continuation, if we move below and close below the support zone whilst the RSI is below 50 then we could see support levels come under pressure. Momentum continues to imply that we have light bid support.



Capesize March 24 (1 Month forward)

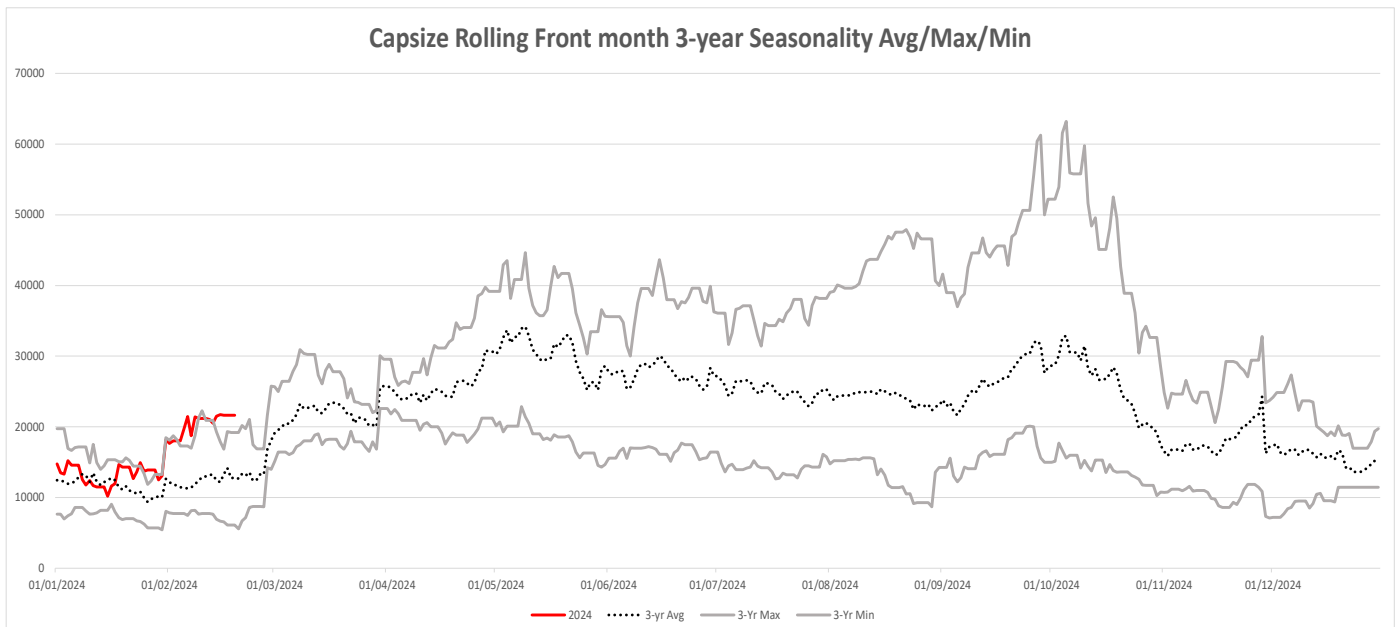


	Support	Resistance	Current Price	Bull	Bear
S1	21,508	R1	22,525	RSI above 50	Stochastic overbought
S2	18,504	R2	23,525		
S3	17,262	R3	25,000		

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI continued to suggest that momentum was supported. We had yet to trade to a new high, meaning downside moves still had the potential to be countertrend. If we did trade above USD 22,325, then we had a possible upside target at USD 26,475 for this phase of the Elliott wave cycle. However, a new high would create a positive divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown which would need to be monitored. The futures traded to a high of USD 22,525 before seeing a small pullback with price consolidating over the 8-period EMA whilst the RSI remains above 50.
- Downside moves that hold at or above USD 15,578 will support bull argument, if broken, then the technical will have a neutral bias.
- Technically bullish, the futures are now in divergence with the RSI, not a sell signal it is warning we have the potential to see a momentum slowdown which will need to be monitored. Our Elliott wave analysis continues to suggest that we have a potential upside target at USD 26,475; however, due to the divergence we now have a note of caution on upside moves at this point. Downside moves that hold at or above USD 15,578 will warn that there is a longer-term bullish Elliott wave cycle in play.

Source Bloomberg



Capesize Q2 24

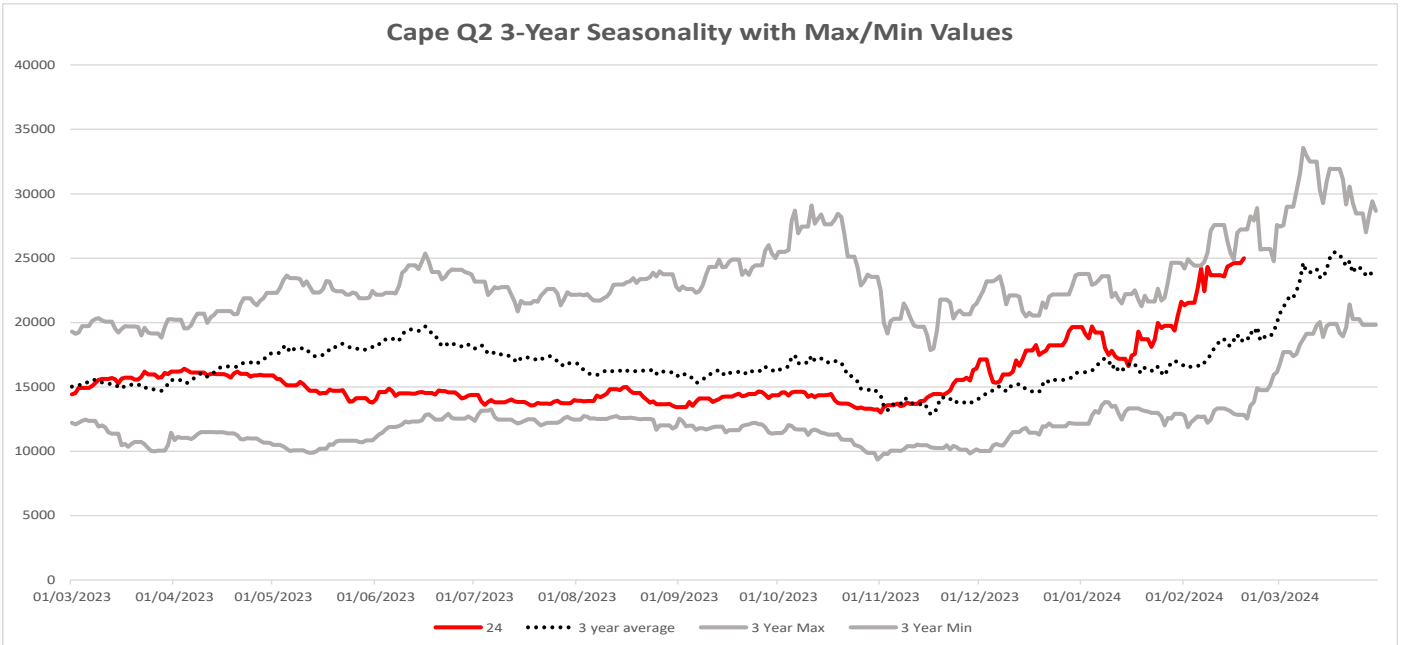


	Support	Resistance	Current Price	Bull	Bear
S1	21,599	R1	25,409	RSI above 50	Stochastic overbought
S2	20,587	R2	26,362		
S3	19,215	R3	27,315		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (67)
- Stochastic is overbought
- Technically bullish on the last report, based on our lower timeframe Elliott wave analysis we had a potential upside target at USD 27,315 for this phase of the cycle; however, the futures were still in divergence, warning we could see a momentum slowdown. From a higher timeframe Elliott wave perspective, downside moves were 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. The futures have continued to move higher with price now approaching the base of the EMA resistance zone. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 19,215 will support a bull argument, below this level the technical will have a neutral bias.
- We remain in a bullish trending environment with the futures continuing to make new highs, Elliott wave analysis would suggest that we have a potential upside target at USD 27,315. However, we are in divergence with the RSI still, not a sell signal it is a warning that we could see a momentum slowdown which needs to be monitored. Key support is now at USD 19,215, 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	18,755	R1	20,075	RSI above 50	Stochastic overbought
S2	18,325	R2			
S3	17,741	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (68)
- Stochastic is overbought
- This technical was more complex last week, we were bullish but had not traded to a second new high (like the Q2). The lower timeframe Elliott wave cycle continued to warn that downside moves could be countertrend, with a potential upside target at USD 21,380 for this phase of the cycle. If we did trade below USD 17,741, it would warn that we were in a higher timeframe corrective phase (still countertrend), making USD 16,124 the key support to follow. We noted that we should in theory move higher in the near-term; however, we had broken a parabolic trend support with price in divergence, meaning we were little cautious on upside moves. The futures have seen a move to the upside with price now within USD 75.00 of the previous high. We are above all key moving averages with 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.
- Unchanged on the technical this week, the futures should in theory trade above the USD 20,150 high based on our lower timeframe Elliott wave cycle, which will create a negative divergence with the RSI, warning we could see a momentum slow-down. However, like last week we maintain our view that downside moves look like they could be countertrend based on our higher timeframe Elliott wave analysis.

