



Capesize Technical Report

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Index

The futures held above the support zone last week with the RSI moving above 50, resulting in the USD 26,022 resistance being broken, meaning the technical now has a neutral bias. The probability of the index trading to a new low has started to decrease. The MA on the RSI is indicating that momentum is supported whilst the RSI has broken resistance, warning downside moves have the potential to be countertrend. We have seen a slowdown in price today, warning we could see a move lower. If momentum based on price becomes aligned to the sell side, and we close below the weekly pivot level (USD 24,046), then we could test see the 200-period MA (USD 19,451), come under pressure. Likewise, if momentum based on price turns to the sell side but we hold above the weekly pivot level, it will imply that the market remains supported.

Mar 24

Technically bullish last week, we revised our upside target in the morning technical to USD 28,150. Having traded to a high of USD 27,875 we are now moving lower on the back of an intraday divergence with the RSI. We do have a very low timeframe Elliott wave cycle warning we could see another move higher; however, this is on an 18-minute timeframe making it less reliable. USD 22,925 is the key support to follow, if broken, then the probability of the futures trading to a new high will start to decrease. We are cautious bull due to the intraday divergence, if we do close below the weekly pivot level (USD 25,375), it will warn that momentum based on price is starting to weaken, meaning we could see the Fibonacci support zone come under pressure.

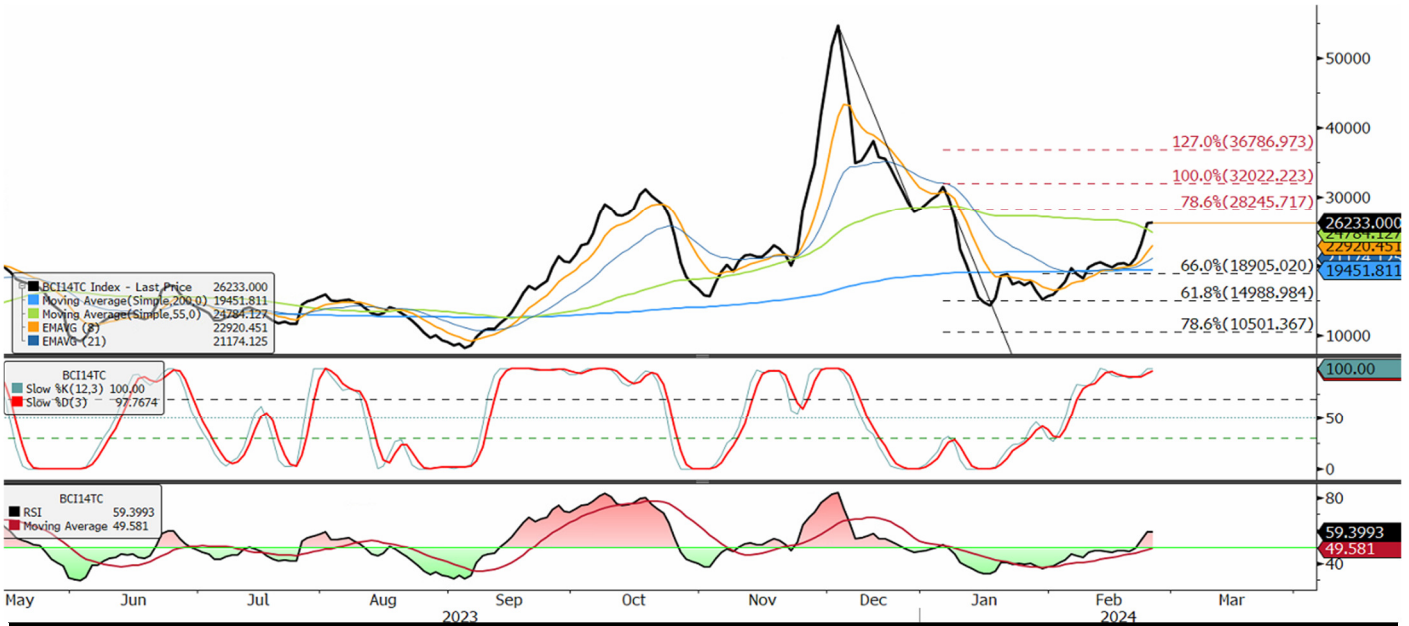
Q2 24

Bullish but in divergence last week, the futures traded through our upside target (USD 27,315) to a high of USD 29,475. The upside moves means our intraday oscillator has made a new high, warning downside moves have the potential to be countertrend. We are correcting today (26/02) with the current candle making a lower high and lower low than Friday's candle, warning buy-side momentum is decreasing at this point. If we close below the weekly pivot level USD (27,608) it will warn that momentum based on price is starting to weaken, leaving support levels vulnerable in the near-term. Technically bullish with downside moves looking like they will be countertrend, the current price action is warning that we could be about to enter a corrective phase.

Cal 25

Technically bullish last week, we noted that the intraday technical warned that we needed to trade above the USD 20,150 high. Having seen a strong move higher, the intraday momentum indicators are suggesting that we are seeing further Elliott wave extension, meaning downside moves should be considered as countertrend. Key support is at USD 18,200, a move below this level will warn that we are entering a higher timeframe Elliott wave 4 correction. We are currently trading below the weekly pivot level (USD 20,900), if we close below this level, it will warn that we could see further downside within this corrective move.

Capesize Index

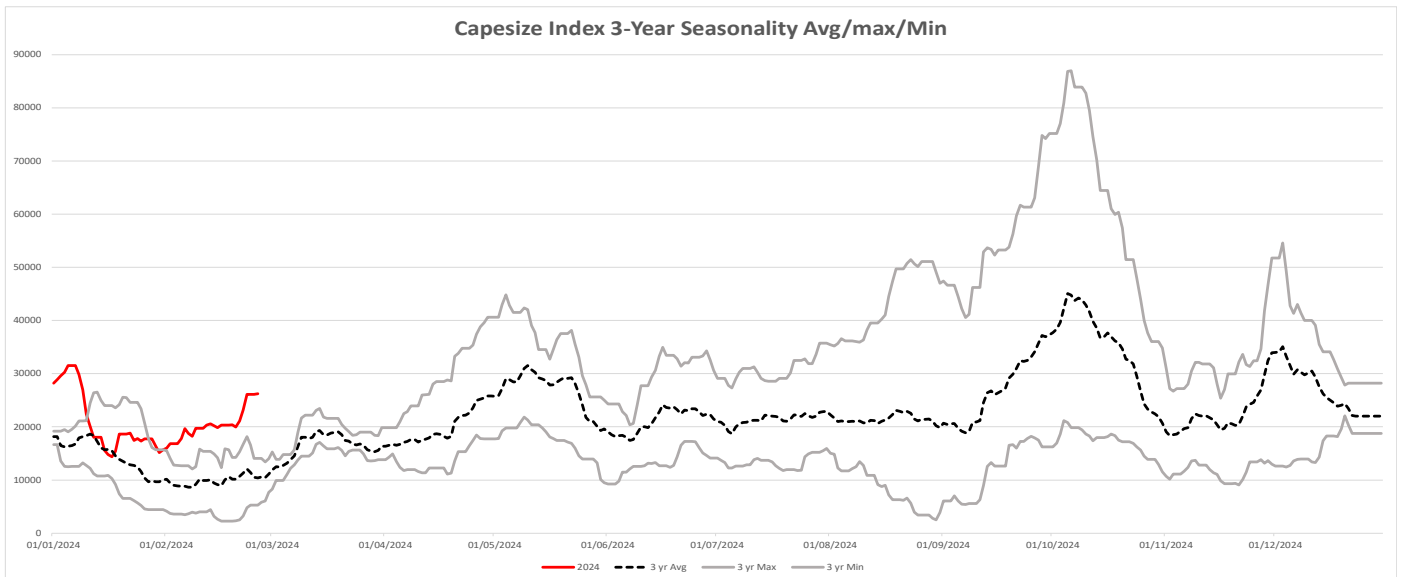


	Support	Resistance	Current Price	Bull	Bear
S1	24,046	R1	28,245	RSI above 50	Stochastic overbought
S2	18,905	R2	32,022		
S3	14,988	R3	36,786		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic overbought
- Price is above the weekly pivot point (USD 24,046)
- Unchanged on the technical last week week, we remained bearish with price above the 200-period MA (USD 19,373) and the weekly pivot level (USD 20,230) which was acting as a support zone. Like last week, we needed to see the RSI move above 50 for upside continuation, if we moved below and close below the support zone whilst the RSI was below 50 then we could see support levels come under pressure. Momentum continued to imply that we had light bid support. The index held above the support zone with the RSI moving above 50, resulting in price moving above the USD 26,022 resistance, meaning we now have a neutral bias. 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 25,580 will mean it is aligned to the sell side. Downside moves moves that hold at or above USD 18,905 will support a near-term bull argument, below this level the USD 15,130 fractal support will start to look vulnerable.
- Technically bearish with a neutral bias, the probability of the index trading to a new low has now started to decrease. The MA on the RSI is implying that momentum is supported, whilst the RSI has broken resistance, warning downside moves have the potential to be countertrend. If momentum based on price becomes aligned to the sell side, and we close below the weekly pivot level (USD 24,046), then we could test see the 200-period MA (USD 19,451), come under pressure. Conversely, corrective moves lower that hold above the weekly pivot level will warn that resistance remains vulnerable.



Capesize March 24 (1 Month forward)

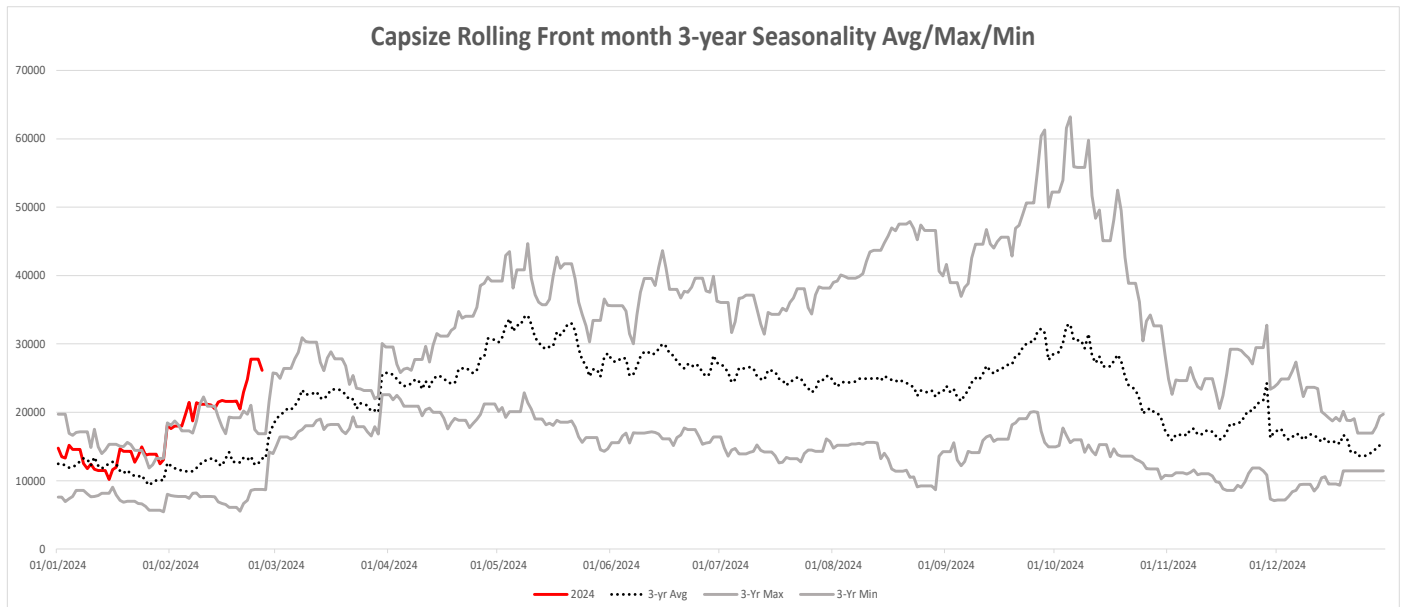


	Support	Resistance	Current Price	Bull	Bear
S1	25,010	R1	26,150	RSI above 50	Stochastic overbought
S2	24,125	R2			
S3	22,925	R3			

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Technically bullish last week, the futures were in divergence with the RSI, not a sell signal it warned that we had the potential to see a momentum slowdown which would 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 had have a note of caution on upside moves. Downside moves that held at or above USD 15,578 would warn that there is a longer-term bullish Elliott wave cycle in play. The futures continued to move higher, in the morning technical on the 22/02 we revised our upside target to USD 28,150. Having traded to a high of USD 27,875 the futures have sold lower today. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 22,925 will support bull argument, if broken, then the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the intraday futures remain 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. However, very low timeframe Elliott wave analysis (18 min candle so it is less reliable) is warning we could see another test to the upside, making USD 22,925 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, if we close below the weekly pivot level on the daily chart (USD 25,375), it will imply momentum based on price is starting to weaken, warning the Fibonacci support zone could come under pressure.

Source Bloomberg



Capesize Q2 24

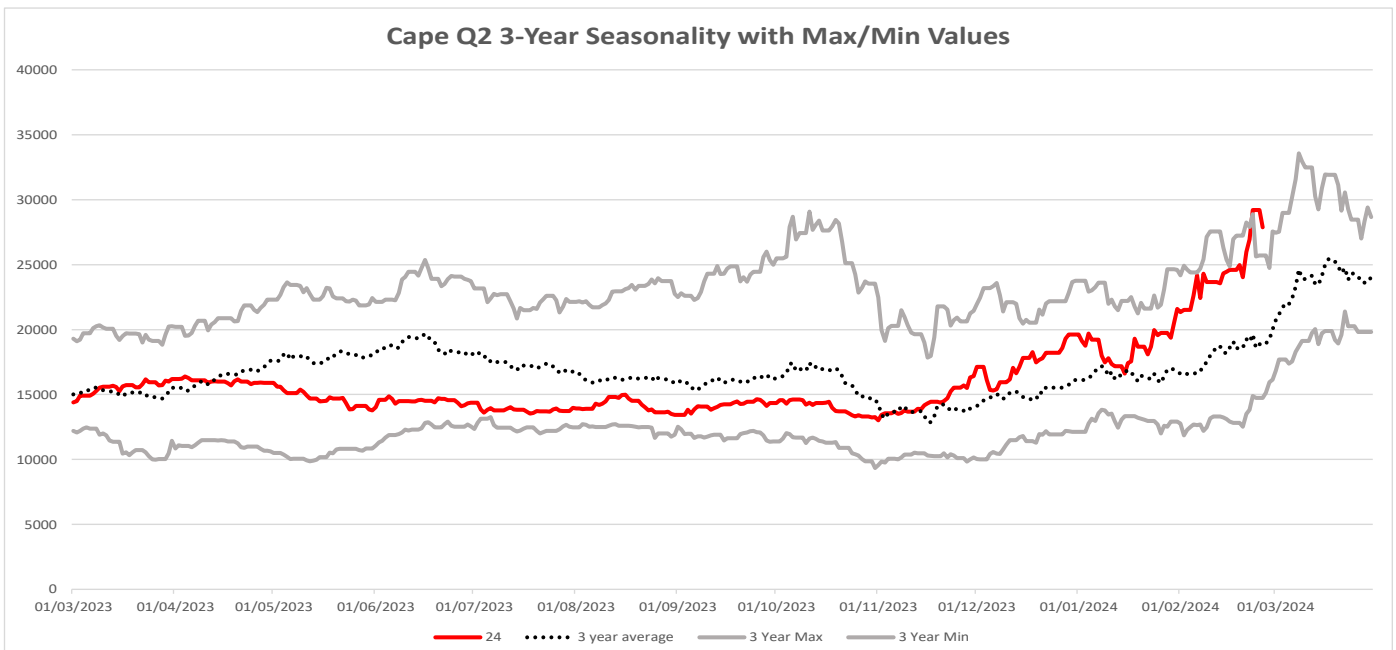


	Support	Resistance	Current Price	Bull	Bear	
S1	24,442	R1	27,625	RSI above 50	Stochastic overbought	
S2	22,887	R2				30,400
S3	20,779	R3				32,580

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (67)
- Stochastic is overbought
- We remain in a bullish trending environment with the futures continuing to make new highs last week, Elliott wave analysis suggested that we have a potential upside target at USD 27,315. However, we were in divergence with the RSI still, not a sell signal it warned that we could see a momentum slowdown which needed to be monitored. Key support was at USD 19,215, if broken, then the probability of the futures trading to a new high will start to decrease. We traded through our upside target of USD 27,315 to a high of USD 29,475 before selling lower today (26/02). We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 20,779 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the upside move last week has resulted in our intraday oscillator making a new high, warning downside moves now have the potential to be countertrend. However, the current daily candle has failed to make a new high with price now trading below Fridays low, warning buyside momentum is fading for now. If we close below the weekly pivot level USD (27,608) it will warn that momentum based on price is starting to weaken, leaving support levels vulnerable in the near-term.



Capesize Cal 25



	Support	Resistance	Current Price	Bull	Bear
S1	19,590	R1	21,380	RSI above 50	Stochastic overbought
S2	19,000	R2	21,993		
S3	18,200	R3	22,775		

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (66)
- Stochastic is overbought
- Unchanged on the technical last week. We noted that the futures should in theory trade above the USD 20,150 high based on our lower timeframe Elliott wave cycle, which would create a negative divergence with the RSI, warning we could see a momentum slowdown. However, as previously noted, we maintained our view that downside moves looked like they could be countertrend based on our higher timeframe Elliott wave analysis. We have seen a strong upside move in the futures with price trading to a high of USD 21,550 before entering into a corrective phase today (26/02). We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,200 will support a bull argument, below this level the technical will have a neutral bias.
- The upside move last week means we have seen further wave extension within the existing wave 3, meaning downside moves should still be considered as countertrend, making USD 18,200 the key near-term support to follow. A move below this level will warn that we are entering a higher timeframe corrective wave 4. We are trading below the weekly pivot level (USD 20,900), if we close below this level, it will warn that we could see further downside within this corrective move.

