



Capesize Technical Report

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Index

Bearish with a neutral bias last week, the probability of the index trading to a new low had started to decrease, this was supported by the MA on the RSI which was moving higher. The index has traded above fractal resistance, meaning the technical is now bullish, the MA on the RSI is continuing to suggest that momentum is supported. Due to the RSI making new highs, it looks like downside support levels could hold if tested. A close below the weekly pivot level (USD 30,734) will warn that buy-side momentum is starting to weaken, meaning we could see the Fibonacci support zone come under pressure.

April 24

The futures were bullish but in a corrective phase on the back of a negative divergence with the RSI last week, meaning we had a note of caution. However, we did have a lower timeframe Elliott wave cycle (18-min timeframe) that warned we could see another test to the upside (we noted, this cycle could be less reliable due to it only being an 18 min timeframe). The futures did follow the cycle higher whilst the roll into April meant the divergence failed, signaling we were looking at an Elliott wave extension. We remain bullish with the RSI implying momentum is supported alongside the RSI making new highs, indicating downside moves look like they could be countertrend at this point, in line with our Elliott wave analysis.

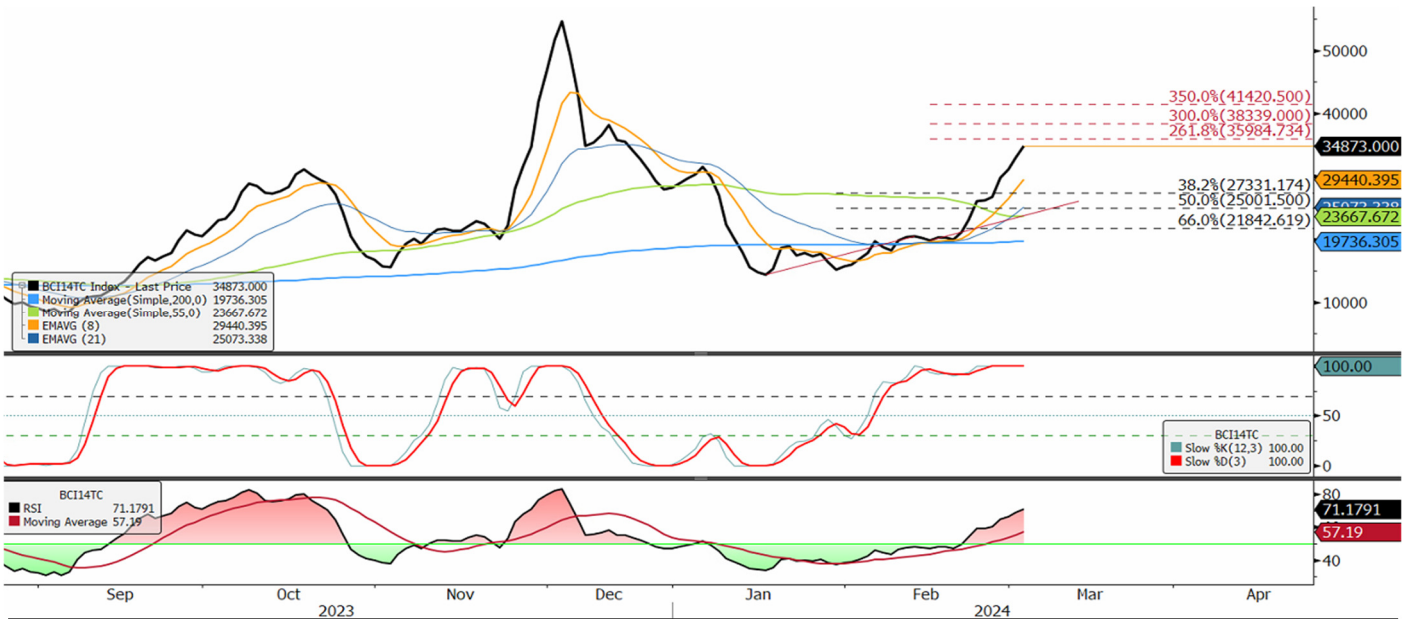
Q2 24

Technically bullish last week with downside moves considered as countertrend, we did have a note of caution as the current candle was making a lower high and lower low. The futures traded below the weekly pivot level, but the move failed to hold, resulting in price moving higher. We are seeing an Elliott wave extension, meaning downside moves should be considered as countertrend at this point. The Degree of separation on the averages is suggesting that the longer-term trend remains supported; However, if we do close below the weekly pivot level (USD 30,825), it will warn that buy-side momentum is starting to weaken, meaning we could see the Fibonacci support zone come under pressure in the near-term.

Cal 25

We noted in the previous report that we were seeing an Elliott wave 3 extension, meaning downside moves should be considered as countertrend, which remains the case. We did close USD 50 below the weekly pivot level on the 26/02; however, a close back above it on the 27/02, implied that there was momentum support in the market, resulting in a move higher. Like the Q2, the degree of separation on the EMA's is indicating that the longer-term trend remains stable. We now have a negative divergence in play with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown which will need to be monitored. A close below the weekly pivot level (USD 21,733) will imply that momentum based on price is starting to weaken, warning we could be about to enter a corrective phase. Bullish, but a note of caution whilst in divergence.

Capesize Index

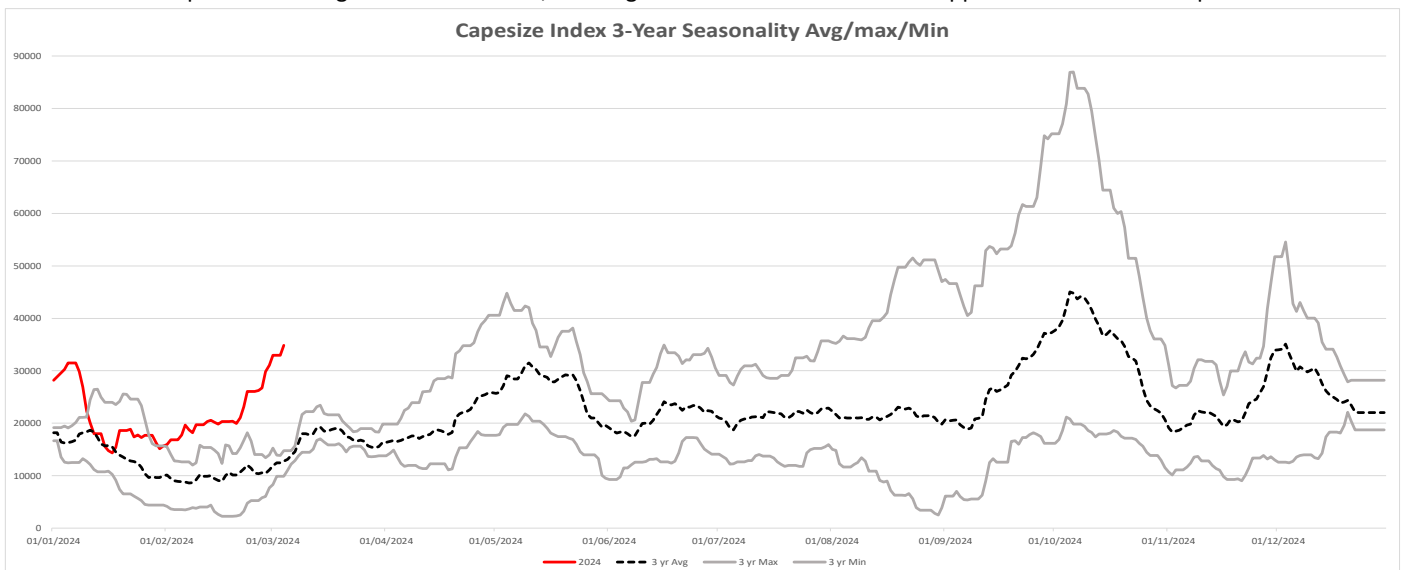


	Support	Resistance	Current Price	Bull	Bear
S1	27,331	R1	35,984	RSI above 50	Stochastic overbought
S2	25,001	R2	38,339		
S3	21,842	R3	41,420		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (71)
- Stochastic overbought
- Price is above the weekly pivot point (USD 24,046)
- Technically bearish with a neutral bias last week, the probability of the index trading to a new low had started to decrease. The MA on the RSI implied that momentum was supported, whilst the RSI had broken resistance, warning downside moves had the potential to be countertrend. If momentum based on price became aligned to the sell side, and we closed 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. The index continued to move higher, resulting in the index breaking fractal resistance, the technical is now bullish. We noted in the close report last week that the RSI had moved above 64, a level that historically had warned that we could see further upside. We are above all key moving averages with the RSI above 50.
- Momentum based on price is aligned to the buy side, a close below USD 30,106 will mean it is aligned to the sell side. Downside moves that hold at or above USD 21,842 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is indicating momentum is supported whilst the RSI is making new highs, implying downside moves now have the potential to be countertrend. This would suggest that support levels should hold if tested, making USD 21,842 the key support to follow. If we close below the weekly pivot level (USD 30,734) it will mean momentum based on price is also aligned to the sell side, warning we could see the Fibonacci support zone come under pressure.



Capesize April 24 (1 Month forward)

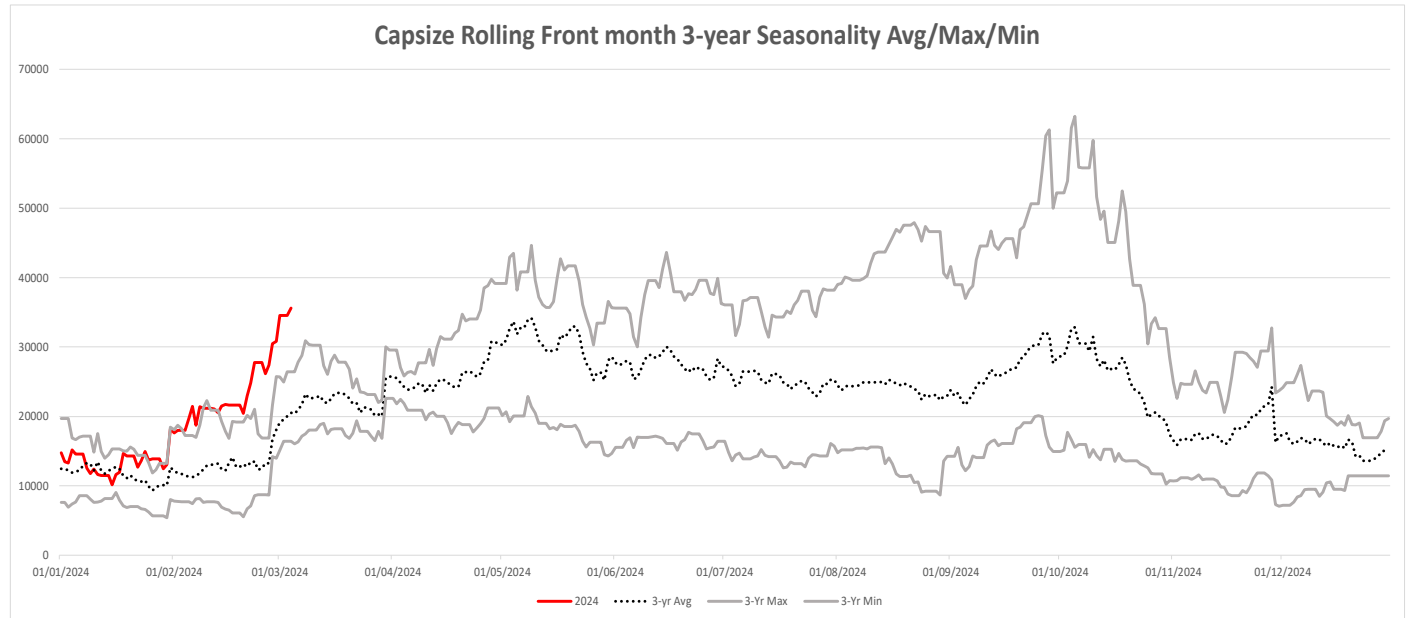


	Support	Resistance	Current Price	Bull	Bear
S1	30,803	R1	35,625	RSI above 50	Stochastic overbought
S2	28,812	R2			
S3	26,112	R3			

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Technically bullish but in a corrective phase last week, the intraday futures remained in divergence with the RSI. Not a sell signal it warned that we could see a momentum slowdown which would need to be monitored. However, very low timeframe Elliott wave analysis (18 min candle so it was less reliable) warned that 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 closed 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. The futures did follow the lower timeframe wave cycle higher whilst the roll into April resulted in the divergence failing, meaning we have seen an Elliott wave extension (as highlighted in the morning technical reports). We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above 26,112 will support a bull argument, below this level the near-term Elliott wave cycle will have a neutral bias, warning we could be entering a higher timeframe wave 4.
- Technically bullish, the MA on the RSI is indicating that we have momentum support whilst the RSI is making new highs, implying downside moves look like they could be countertrend. This is supported by our Elliott wave analysis, which if correct means the technical is currently on an extended wave 3 of a larger bullish wave 3.

Source Bloomberg



Capesize Q2 24

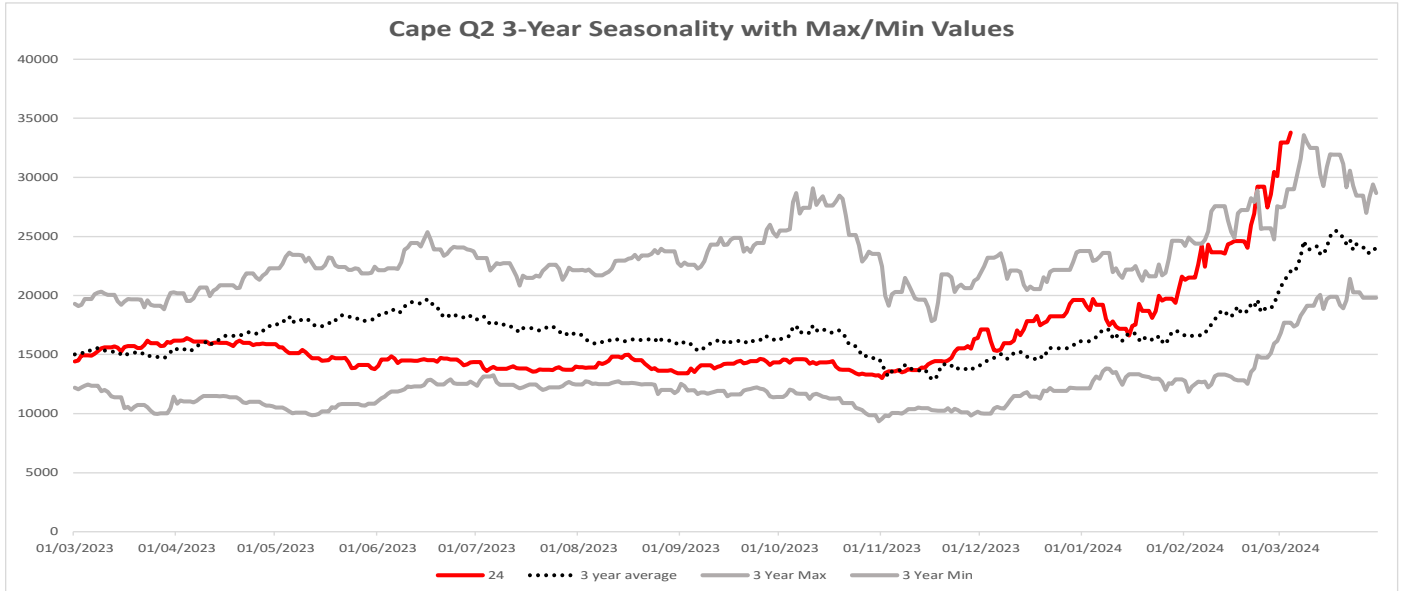


	Support	Resistance	Current Price	Bull	Bear
S1	27,763	R1	32,875	RSI above 50	Stochastic overbought
S2	25,575	R2			
S3	22,607	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (74)
- Stochastic is overbought
- Technically bullish last week, the upside move previously had resulted in our intraday oscillator making a new high, warning downside moves had the potential to be countertrend. However, the current daily candle had failed to make a new high with price trading below the previous Fridays low, warning buyside momentum was fading (for now). If we closed below the weekly pivot level USD (27,608) it would warn that momentum based on price was starting to weaken, leaving support levels vulnerable in the near-term. The futures traded below but failed to close below the USD 27,608 level on 27/02, signalling buyside support in the market, resulting in the futures moving higher. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 22,607 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we are seeing Elliott wave extension on the lower timeframe, meaning we maintain our view that downside moves should be considered as countertrend at this point. The MA on the RSI is suggesting that there is light momentum support at this point, whilst the degree of separation between the EMA's would imply the longer-term trend is stable. A close below the weekly pivot level (USD 30,825) will warn that buyside momentum is starting to weaken, meaning we could see the Fibonacci support zone come under pressure in the near-term.



Capesize Cal 25



	Support	Resistance	Current Price	Bull	Bear
S1	20,362	R1	22,775	RSI above 50	Stochastic overbought
S2	19,625	R2	23,760		
S3	18,625	R3	24,600		

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (70)
- Stochastic is overbought
- The upside move previously meant that we had 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 would warn that we are entering a higher timeframe corrective wave 4. We were trading below the weekly pivot level (USD 20,900), if we closed below this level, it would warn that we could see further downside within this corrective move. We closed USD 50.00 below this level on the 26/02 before rejecting the downside to close back above it on the 27/02, resulting in another move higher. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,625 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged technically, we remain bullish with the futures continuing to look like they are on an extended wave 3 of a larger bullish cycle (Wave 3 of wave 3), suggesting downside moves should be considered as countertrend at this point. Like the Q2-24 contract, the degree of separation between the EMA's does suggest that the longer-term trend remains stable. The daily RSI is in divergence, not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. A close below the weekly pivot level (USD 21,733) will imply that momentum based on price is starting to weaken, warning we could be about to enter a corrective phase. Bullish, but a note of caution whilst in divergence.

