



# Capesize Technical Report

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## Index

Unchanged on the technical this week. We remain bullish with a neutral bias, due to the depth of the pullback the probability of the index trading to a new high has started to decrease. We are just above the 200-period MA, but need to wait to see if we can hold above it, as the Averages remain flat and clustered whilst the RSI is near-neutral at 51, implying we lack a directional bias. We remain cautious on upside moves due to key support being broken previously.

## July 23

Technically bearish with the MA on the RSI implying momentum remains weak. We noted that although we have seen a small move higher, we are seeing more bearish candles than bullish, indicating buyside momentum is weak at this point. We are approaching trend support (USD 25,152), a close below that holds below this level will warn that the USD 21,675 fractal low could come under pressure.

## Q3 24

We were cautious on upside moves on the last report unless we traded above the USD 27,872 resistance, as momentum was starting to weaken. We remained bullish with a neutral bias, the probability of the futures trading to a new high is decreasing with the futures in the process of rejecting the 55-period EMA (this has previously acted as a support), warning sentiment looks to be changing to the sell side. The EMA is now flat; again, suggesting that buyside support is waning, meaning the USD 25,079 – USD 24,625 fractal support zone is looking vulnerable.

## Cal 25

Unchanged on the technical, we remain bullish but price action, the EMA's and the RSI are all neutral. We do have a note of caution on any sharp moves in either direction, as the flat EMA's would leave the technical vulnerable to a mean reversion gap, meaning they could struggle to hold.

## C5 July 24

We noted on the previous report that support levels were vulnerable, resulting in key support being broken, the probability of the futures trading to a new high has started to decrease. The MA on the RSI is indicating that momentum is weak, warning the USD 10.03 fractal support could be tested and broken. However, we have a small note of caution as the RSI is testing a support zone, meaning we will need to see the RSI below 43 for downside continuation.

# Capesize Index

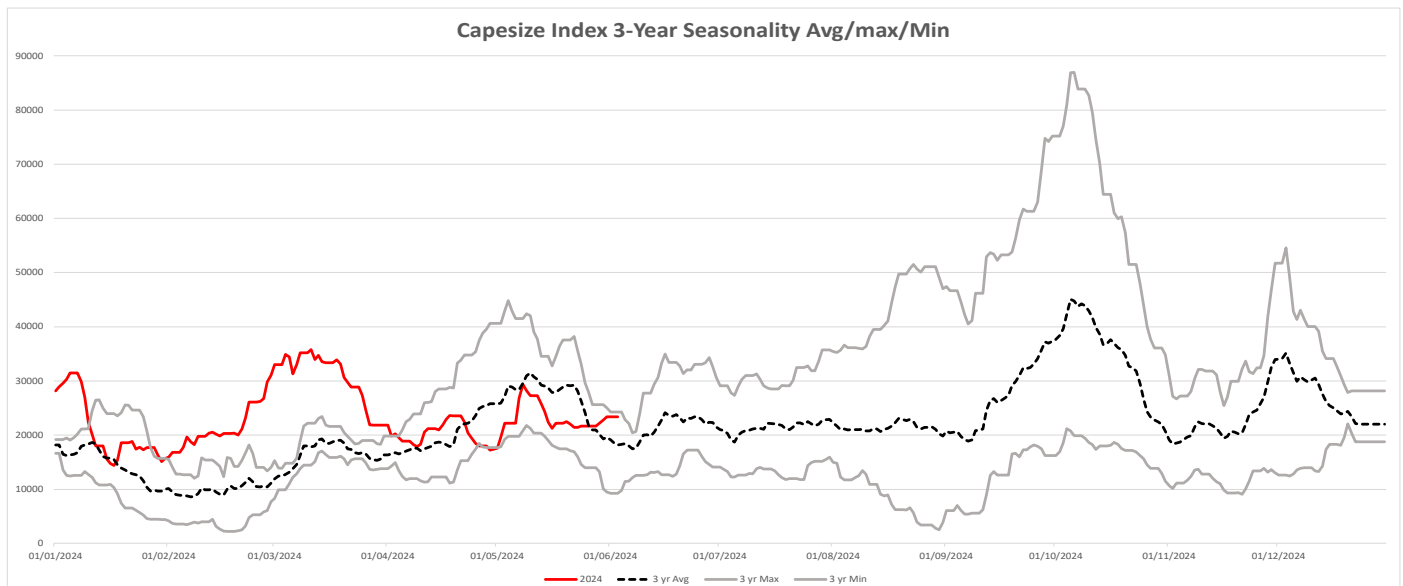


Support	Resistance	Current Price	Bull	Bear	
S1	22,803	R1	30,481	23,357	RSI above 50
S2	21,371	R2	34,077		
S3	17,253	R3	38,658		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is below 50
- Price is below the weekly pivot point (USD 22,803)
- Technically bullish on the last report, the depth of the pullback meant that the probability of the index trading to a new high had started to decrease, meaning we had a neutral bias. The RSI was below its average, but the MA continued to suggest that momentum was supported; however, we were below the MBP and weekly pivot level (USD 23,057). A close above the weekly pivot level would imply that buyside pressure was increasing; likewise, a close above that held above the 200-period MA (USD 22,644), would support a bull argument. A rejection of the long-term average (or the weekly pivot level) would leave support levels vulnerable. The technical was in balance as a move above the long-term average and weekly pivot level was possible; however, due to the depth of the pullback, we now had a note of caution on moves higher.
- We have seen very little price action in the last 10 days. The index is just under USD 1,000 higher with price trading just above the 200-period MA (USD 22,981).
- Momentum based on price (MBP) is aligned to the buyside, a close below USD 22,517 will mean it is aligned to the sell side.
- Unchanged on the technical this week, we remain bullish with a neutral bias, the probability of the futures trading to a new high has started to decrease. We are now above the 200-period MA by only USD 376 and are yet to see if we will hold above it. The averages remain clustered with the RSI near-neutral at 51, implying we lack directional bias at this point. We continue to remain cautious on upside moves due to the depth of the pullback.



# Capesize July 24 (1 Month forward)

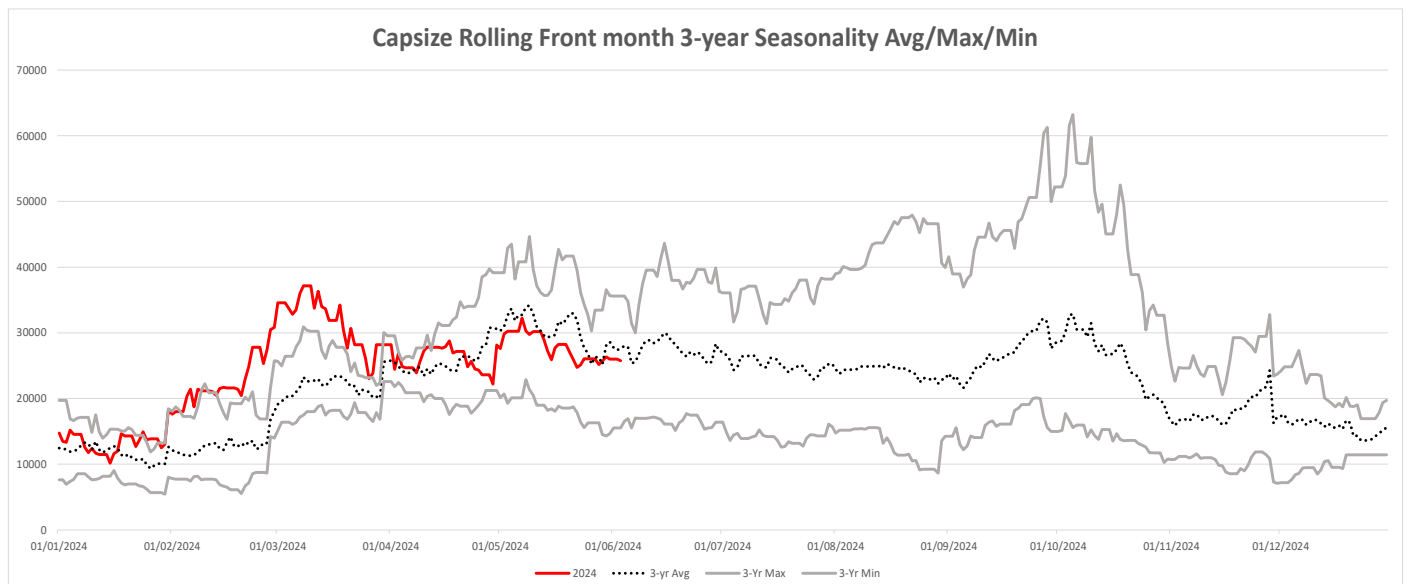


	Support	Resistance	Current Price	Bull	Bear
S1	25,746	R1	25,983		RSI below 50
S2	25,152	R2	28,072		
S3	24,237	R3	30,581		

## Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is below 50t
- Technically bearish previously, the RSI was below its average which had started to flatten, implying momentum was neutral. We were trading below the weekly pivot point (USD 27,850), a close below this level would imply that sell side pressure is increasing, whilst a close below the USD 25,425 fractal low will warn that the USD 24,237 and USD 21,675 levels could come under pressure. Likewise, a close above USD 27,850 would suggest that there was underlying support in the market. The technical was again showing signs of weakness, if we closed below USD 27,186 it would further support a seller's argument.
- The futures traded to a low of USD 24,625 before finding light bid support. We are below the 8-21 period EMA's supported by the RSI below 50.
- Upside moves that fail at or below USD 30,581 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is implying that momentum is weak at this point. The futures have moved higher over the last seven trading sessions, four of those days were bearish closes, two bullish and one was a Doji (neutral). This is implying a lack of buy-side momentum at this point, meaning the trend support at USD 25,152 is vulnerable. A close below that holds below the trend support will warn that the USD 21,675 fractal low could come under pressure.

Source Bloomberg



# Capesize Q3 24

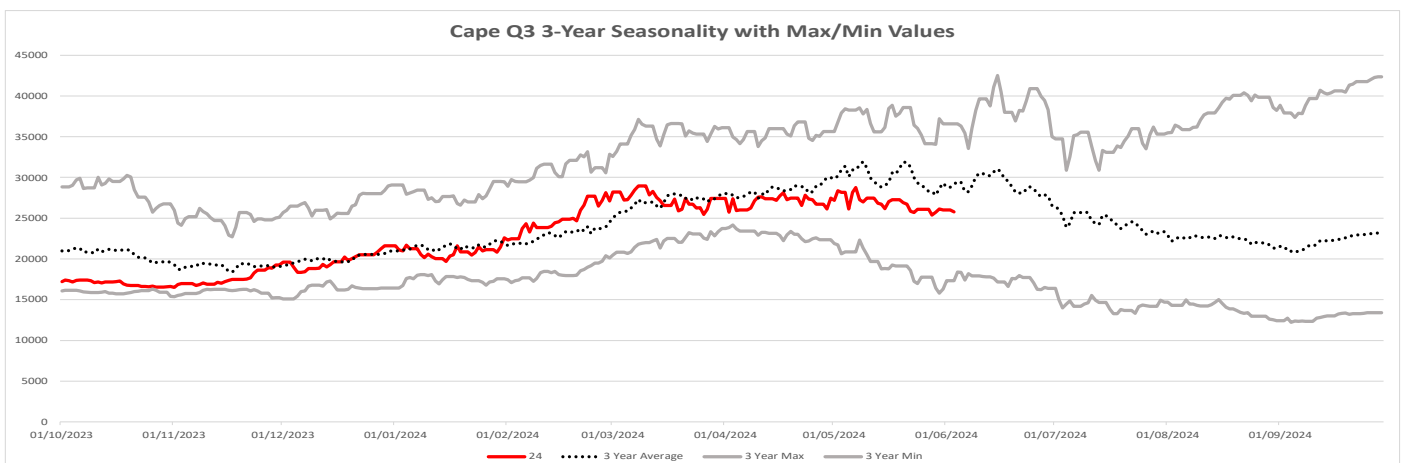


	Support	Resistance	Current Price	Bull	Bear
S1	24,587	R1	25,775		RSI below 50
S2	23,825	R2			
S3	22,975	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (46)
- Stochastic is below 50
- Technically bullish with a neutral bias on the last report, the MA on the RSI warned that momentum was starting to weaken a little. The futures were trading above the weekly pivot level (USD 26,850) and the 55-period EMA (USD 26,545), a close below this support zone will warn that the USD 25,800 and USD 24,625 support levels could come under pressure. Likewise, above USD 27,782 would warn we could break the consolidation phase to the upside. Price was holding support, but momentum warned of weakness, the technical remained in consolidation, implying neutrality. However, the 55-period EMA is starting to flatten a little, warning the trend is not as supported as it once was. We were cautious on upside moves unless we trade above the USD 27,782 resistance.
- The upside move failed to hold with price trading to a low of USD 25,079 before finding light bid support. We are below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 27,547 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory. The longer-term technical remains bullish above USD 22,975 and neutral below.
- Technically bullish with a neutral bias, the probability of the futures trading to a new high within this phase of the cycle has started to decrease. The MA on the RSI is warning that momentum remains weak whilst price is in the process of rejecting the 55-period EMA (USD 26,411). This average has acted as a support on five occasions, the rejection of it is warning that sentiment is now changing. The EMA is now flat; again, suggesting that buyside support is waning, meaning the USD 25,079 – USD 24,625 fractal support zone is looking vulnerable. If we do see a close above that holds above the 55-period average, it will suggest buyside support is entering the market.



# Capesize Cal 25

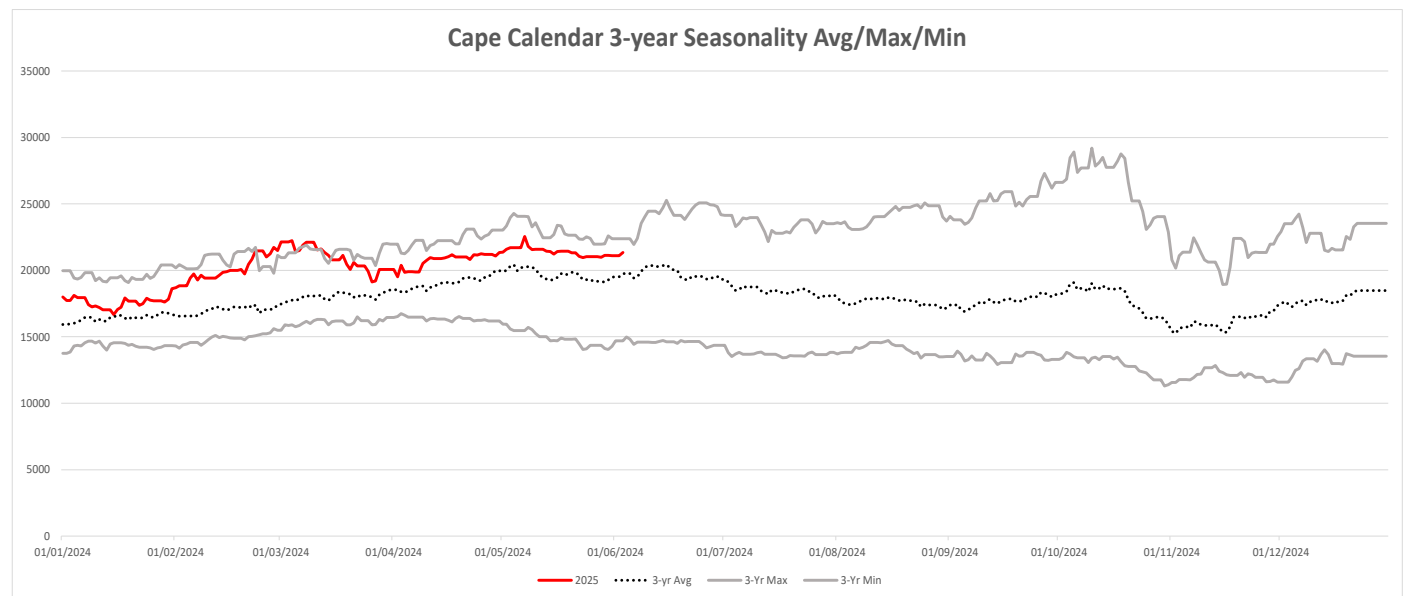


	Support	Resistance	Current Price	Bull	Bear
S1	20,983	R1	21,500	21,125	
S2	20,500	R2	22,550		
S3	19,844	R3	22,750		

Source Bloomberg

## Synopsis - Intraday

- Price is on the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is oversold
- Technically bullish on the last report, the futures had held the 55-period EMA previously; however, the downside move meant that the RSI was below and finding resistance on its MA. The averages had started to flatten, implying a lack of directional bias, this also suggests that they are less likely to be respected. The futures were trading just above the weekly pivot level (USD 21,291), a close below this level would warn that sell side pressure was starting to increase. The technical was bullish, but we lacked directional bias, meaning buyside momentum is starting to soften; warning support levels were starting to look more vulnerable. We noted that market bulls would want to see the futures hold above the USD 21,291 level, whilst a move above that held above the intraday resistance (USD 21,500) would suggest buyside pressure was increasing.
- The futures have entered a consolidation phase, price is on the 8-21 period EMA's with the RSI neutral at 50.
- Downside moves that hold at or above USD 19,844 will support a near-term bull argument, below this level the technical will have a neutral bias. Key longer-term support at USD 18,625 remains in play due to the breach in the USD 21,288 resistance.
- Technically bullish, price action is neutral, as are the EMA's and the RSI. A note of caution on any sharp moved away from the averages (in either direction) whilst they are flat, as it could create a mean reversion gap, meaning sharp moves could fail to hold.



# Capesize C5 July (Rolling Front Month Heikin Ashi Chart)



	Support	Resistance	Current Price	Bull	Bear	
S1	10.03	R1	10.40	Stochastic oversold	RSI below 50	
S2	9.32	R2				12.05
S3	7.67	R3				12.43

- Heikin-Ashi—This is a blended price to create a candlestick chart rather than a line chart. The chart is based off close only data
- Price is below the 8-21 period EMA
- RSI is at 50 (44)
- Stochastic is oversold
- Technically bullish previously, the RSI was below its average, which was flat, implying momentum was neutral. We had opened 1 cent below the weekly pivot level (USD 11.12), a close below this level would warn that the USD 10.70 support could be tested and broken. If it was, then the probability of the futures trading to a new high would start to decrease. A small bearish flag was in play, implying support was vulnerable.
- The futures broke to the downside, resulting in the USD 10.70 support being tested and broken. We are below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 12.05 will warn that there is a larger, bearish corrective cycle in play (rejected), above this level we target the USD 13.09 fractal high.
- Technically bullish with a neutral bias, the probability of the futures trading to a new high has started to decrease. The MA on the RSI is implying that momentum is weak at this point, suggesting the USD 10.03 fractal support could be tested and broken. One note of caution, the RSI is testing a small support zone, meaning we will need to see the RSI below 43 for downside continuation.

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