



# Capesize Technical Report

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Technically bullish with a neutral bias, the MA on the RSI is implying we have light momentum support. Based on the move below USD 21,371 previously, we maintain a cautious view on upside moves. A close below that holds below the 200-period MA (USD 23,255) will warn that secondary trend support at USD 20,850 could come under pressure. If we hold above the 200-period MA, it will indicate that there is an underlying support in the market.

## July 24

Technically bearish, the futures broke trend support on the 3rd attempt last week, whilst the MA on the RSI is implying that momentum is weak. This is a warning that the USD 21,675 – USD 21,250 support zone is starting to look vulnerable. However, as noted in the morning intraday technical, the RSI is on support, meaning we have a minor divergence in play. The trend break would suggest that the divergence could fail, but until it does, we have a note of caution.

## Q3 24

Bullish with a neutral bias, the futures are trading below but are yet to close below the USD 24,625 support. The MA on the RSI is warning of light momentum weakness whilst the RSI is making new lows, implying resistance level could hold if tested in the near-term. USD 23,825 could be an area of interest (and potential termination point) as it is the 100% Fibonacci projection level of A-B = C-D. I.E., a 3-wave corrective pattern. If the USD 22,975 level is broken, then the probability of the futures trading to a new high will start to decrease. We are cautious on downside moves, we do have the potential to move lower in the near-term; however, downside moves could now be limited due to the USD 23,825 – USD 22,975 support zone.

## Cal 25

Unchanged, the futures are USD 75.00 lower and remain in consolidation. Technically bullish, price action is neutral.

## C5 July 24

The RSI broke the 43-level last week, resulting in the futures trading below fractal support. We remain bullish with a neutral bias; the MA on the RSI continues to warn of momentum weakness. The futures are now approaching the USD 9.82 high from 06/10/23, implying caution on downside moves in the near-term, as this has the potential to act as a support. If we hold support and close above the weekly pivot, it will imply that we could see a move higher; likewise, if broken, then we target the Fibonacci support zone. A cautious bear whilst above support.

# Capesize Index

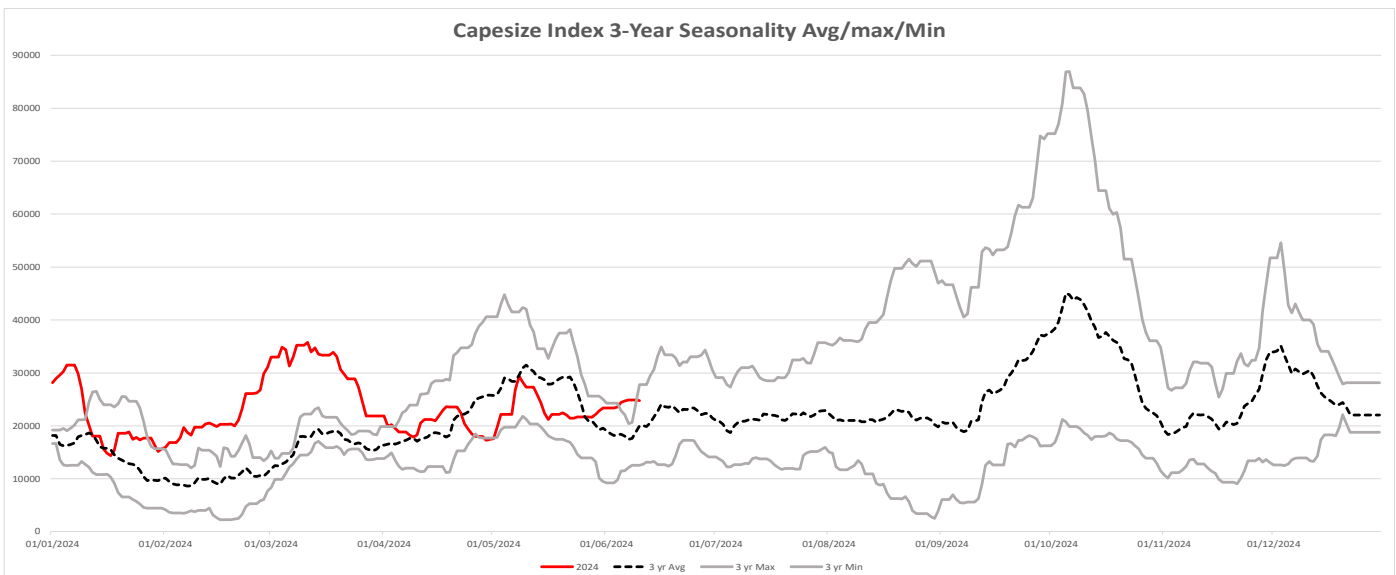


Support	Resistance	Current Price	Bull	Bear	
S1	24,363	R1	30,481	24,759	RSI above 50
S2	21,371	R2	34,077		
S3	20,850	R3	38,658		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 24,363)
- Unchanged on the technical last week, we remained bullish with a neutral bias, the probability of the futures trading to a new high had started to decrease. We were above the 200-period MA, but only by USD 376 and were yet to see if we would hold above it. The averages remain clustered with the RSI near-neutral at 51, implying we lacked directional bias at this point. We continued to remain cautious on upside moves due to the depth of the pullback.
- The index has seen a small move higher with price remaining above all key moving averages supported by the RSI above 50.
- Momentum based on price (MBP) is aligned to the buyside, a close below USD 24,383 will mean it is aligned to the sell side.
- Technically we remain bullish with a neutral bias, the MA on the RSI is implying that we have light momentum support. We have a tight support zone between the MBP and weekly pivot level (USD 24,383 – USD 24,363), we also have the 200-period MA support at USD 23,255. A close below that holds below USD 23,255 will warn that the secondary trend support at USD 20,850 could come under pressure. Primary trend support is currently at USD 16,372. Downside moves that hold above the USD 23,255 level, it will warn of an underlying support in the market. Based on the move below USD 21,371 previously, we remain cautious on upside moves at this point.



# Capesize July 24 (1 Month forward)

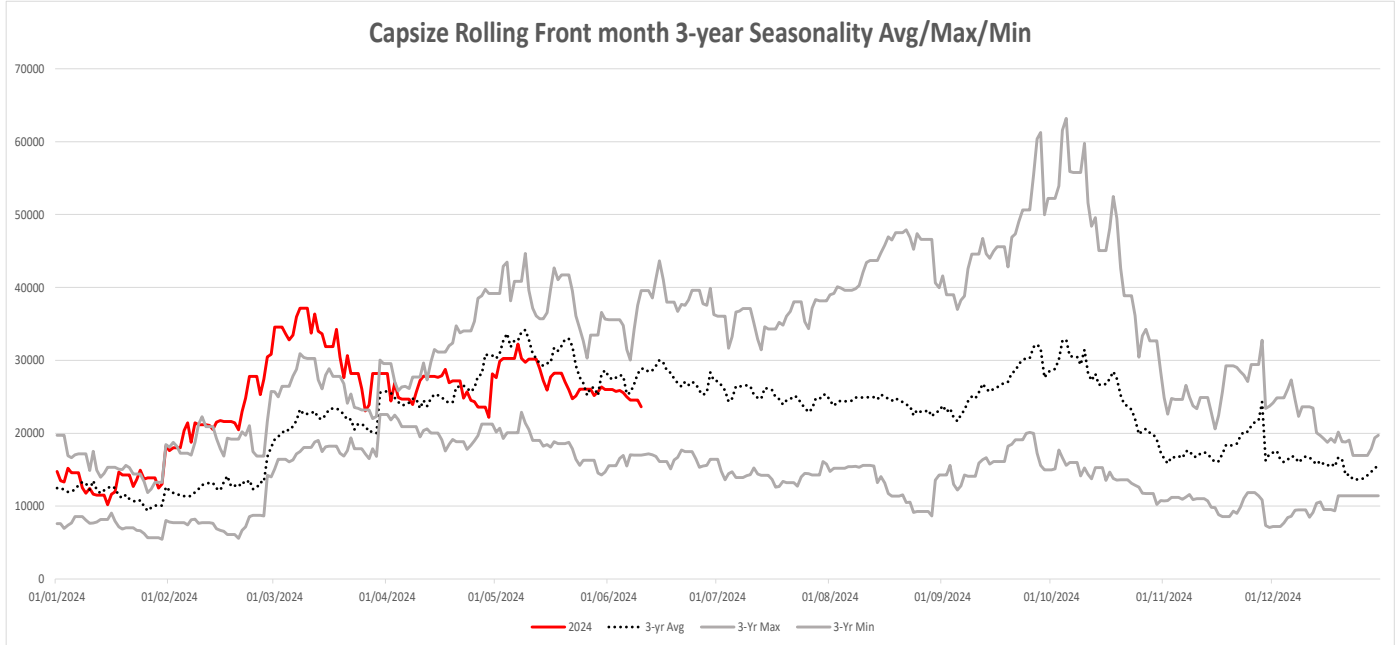


	Support	Resistance	Current Price	Bull	Bear
S1	21,675	R1	25,333	Stochastic oversold	RSI below 50
S2	21,047	R2	27,222		
S3	20,525	R3	28,450		

### Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI is implied that momentum was weak. The futures had 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 implied a lack of buy-side momentum, meaning the trend support at USD 25,152 was vulnerable. A close below that held below the trend support would warn that the USD 21,675 fractal low could come under pressure.
- The futures made hard work on the move lower with price giving a couple of false signals before eventually closing below the trend support. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 30,114 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, whilst the trend break is warning that the USD 21,675 – USD 21,250 fractal support levels are starting to look vulnerable. The issue, as noted in the morning report, is that the intraday RSI is on support (meaning we have a minor intraday divergence in play still). For downside continuation, that divergence must fail. Looking at the daily chart, the divergence looks like it could fail; however, we have a note of caution on moves lower until it does.

Source Bloomberg



# Capesize Q3 24

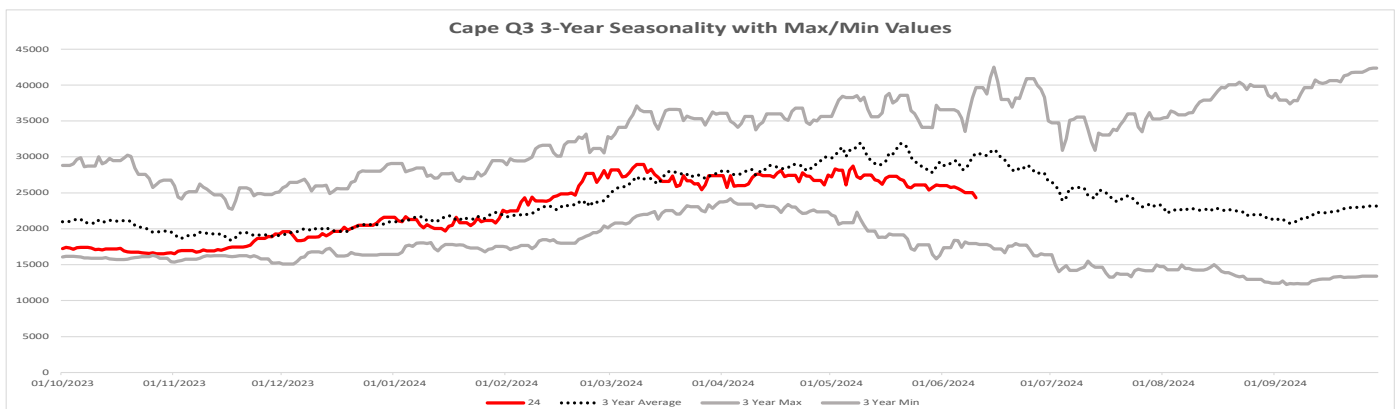


	Support	Resistance	Current Price	Bull	Bear
S1	23,825	R1	25,408	Stochastic oversold	RSI below 50
S2	22,975	R2	25,997		
S3	22,475	R3	26,534		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (40)
- Stochastic is oversold
- Technically bullish with a neutral bias last week, the probability of the futures trading to a new high within this phase of the cycle had started to decrease. The MA on the RSI warned that momentum remained weak, whilst price was in the process of rejecting the 55-period EMA (USD 26,411). This average had acted as a support on five occasions, the rejection of it warned that sentiment is now changing. The EMA was flat; again, suggesting that buy-side support was waning, meaning the USD 25,079 – USD 24,625 fractal support zone was looking vulnerable. If we did see a close above that held above the 55-period average, it would suggest buy-side support was entering the market.
- The futures continued to reject the 55-period EMA with price now trading below (but has not closed below) the USD 24,625 fractal support. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 27,263 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 futures are trading below but have not yet closed below the support zone highlighted. The MA on the RSI is warning that we have light momentum weakness with the RSI making new lows. This is suggesting that upside moves (intraday) could struggle to hold in the near-term. However, we highlight USD 23,825 as a key level of interest, as this is the A-B = C-D 100% Fibonacci projection. This level has the potential to attract buying interest as a potential corrective termination point (as in a 3-wave Elliott wave correction). If the USD 22,975 level is broken, then the probability of the futures trading to a new high will start to decrease. We are cautious on downside moves, we do have the potential to move lower in the near-term; however, downside moves could now be limited due to the USD 23,825 – USD 22,975 support zone.



# Capesize Cal 25

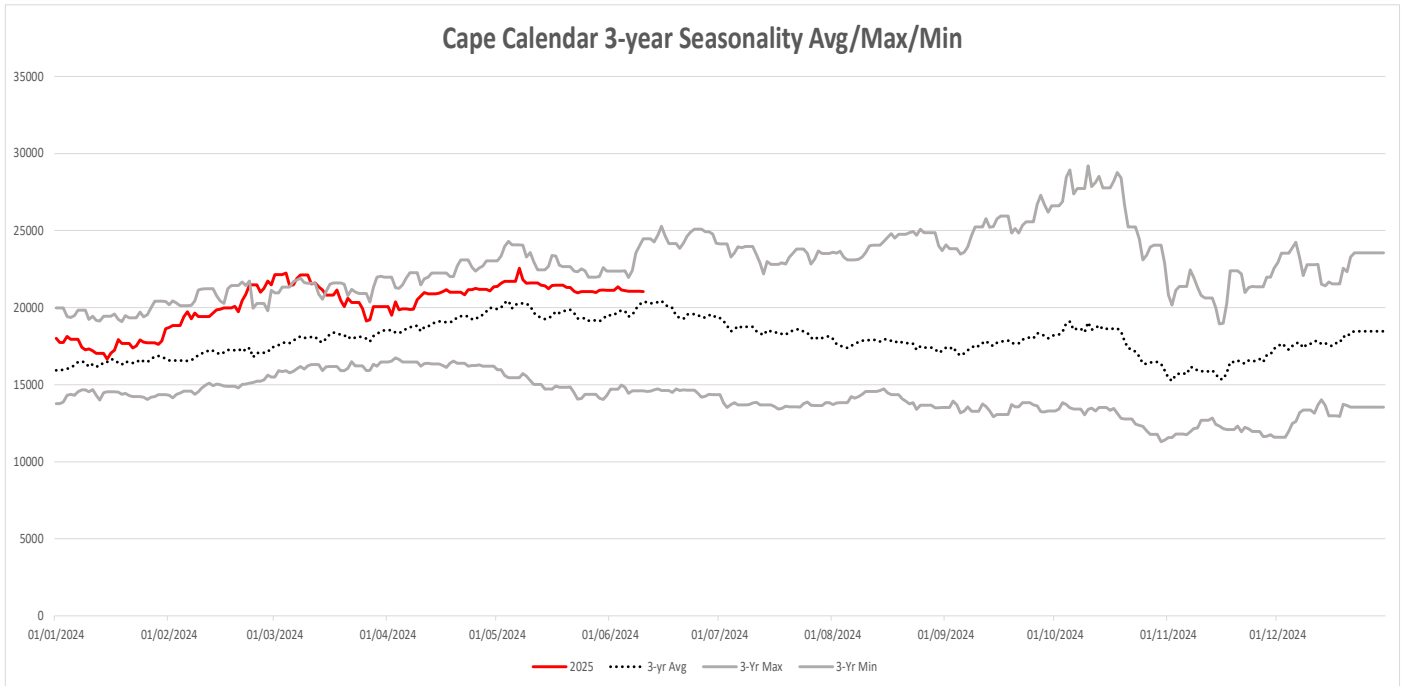


	Support	Resistance	Current Price	Bull	Bear
S1	20,983	R1	21,500		
S2	20,500	R2	22,550		
S3	19,844	R3	22,750		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is below 50
- Technically bullish last week, price action was neutral, as were the EMA's and the RSI. We had a note of caution on any sharp moves away from the averages (in either direction) whilst they were flat, as it could create a mean reversion gap, meaning they could fail to hold.
- The futures have moved USD 75.00 lower, we remain in consolidation having held the USD 20,875 support (range support). We are below all key moving averages with the RSI near neutral at 49.
- 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 with the futures consolidating between USD 20,875 – USD 21,500. The EMA's remain flat with the RSI near neutral. Like last week, we remain cautious on any sharp moves away from the averages as it will create a mean reversion gap.





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



	Support	Resistance	Current Price	Bull	Bear
S1	9.825	R1	10.05	Stochastic oversold	RSI below 50
S2	9.54	R2	10.72		
S3	9.32	R3	10.97		

- 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 (40)
- Stochastic is oversold
- Technically bullish with a neutral bias last week, the probability of the futures trading to a new high had started to decrease. The MA on the RSI implied that momentum was weak, suggesting the USD 10.03 fractal support could be tested and broken. We had one note of caution, as the RSI was testing a small support zone, meaning we would need to see the RSI below 43 for downside continuation.
- The RSI broke the 43-level, resulting in the futures trading below the USD 10.03 fractal support. We are below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 11.30 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bullish with a neutral bias, the MA on the RSI continues to suggest that momentum is weak at this point. A close above the weekly pivot level (USD 10.05) will warn that buyside pressure is increasing. We have broken the fractal support zone with price now approaching the USD 9.82 high from 06/10/23, implying caution on downside moves in the near-term, as this has the potential to act as a support. If we hold support and close above the weekly pivot, it will imply that we could see a move higher; likewise, if broken, then we target the Fibonacci support zone. A cautious bear whilst above support.

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