



Capesize Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Index

The 200-period MA held last week resulting in the index moving above fractal resistance into bullish territory. The MA on the RSI is implying momentum is supported, whilst the RSI has moved above 64. Historically this has warned that we could see upside continuation, warning resistance levels are vulnerable.

Aug 24

The futures held above the USD 23,445 support last week, resulting in price moving higher. The downside move on the roll into August failed to close below the low of the last dominant bull candle (USD 25,175), implying there is underlying support in the market. A close above the high of the last dominant bull candle (USD 26,875) will warn of upside continuation. Momentum would suggest that resistance levels are vulnerable, price action is bullish but now needs to close above USD 26,875 for upside continuation. Based on the index RSI, this should happen in the next day or so.

Q3 24

Bullish with a neutral bias last week, near-term price action was bearish, but we were cautious on downside moves below USD 23,125, as the intraday RSI would be in divergence. The futures failed to trade lower with price now moving higher in what looks to be a bullish impulse move on the back of a 3-wave corrective pattern, suggesting resistance levels are vulnerable. The RSI is testing resistance, and now needs to close above the resistance line to confirm upside continuation.

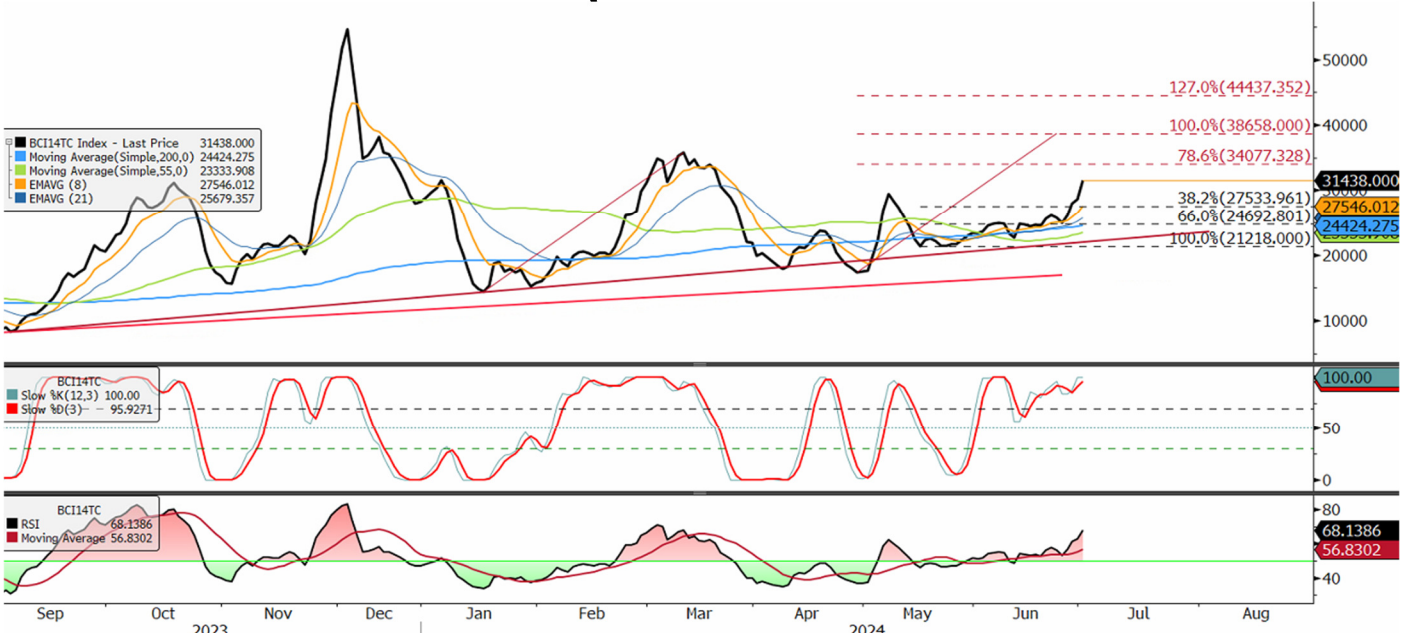
Cal 25

We were cautious on downside moves last week as the corrective move lower was twice the time period but only half the depth of the previous move lower, warning there was an underlying support in the market. The futures have broken the consolidation phase to the upside, warning the USD 22,750 fractal high is now vulnerable. If we do trade to a new high, then the Elliott wave cycle highlighted since the 26/02 would suggest that we have a potential near-term upside target at USD 23,826.

C5 Aug 24

We were cautious on downside moves last week as the futures would be in divergence below USD 9.42. The technical is bearish but we have seen a small move higher with price above the weekly pivot level and the 8-21 period EMA's, suggesting resistance levels are vulnerable. If we do trade above the USD 11.13 level, then the probability of the futures trading to a new low will start to decrease.

Capesize Index

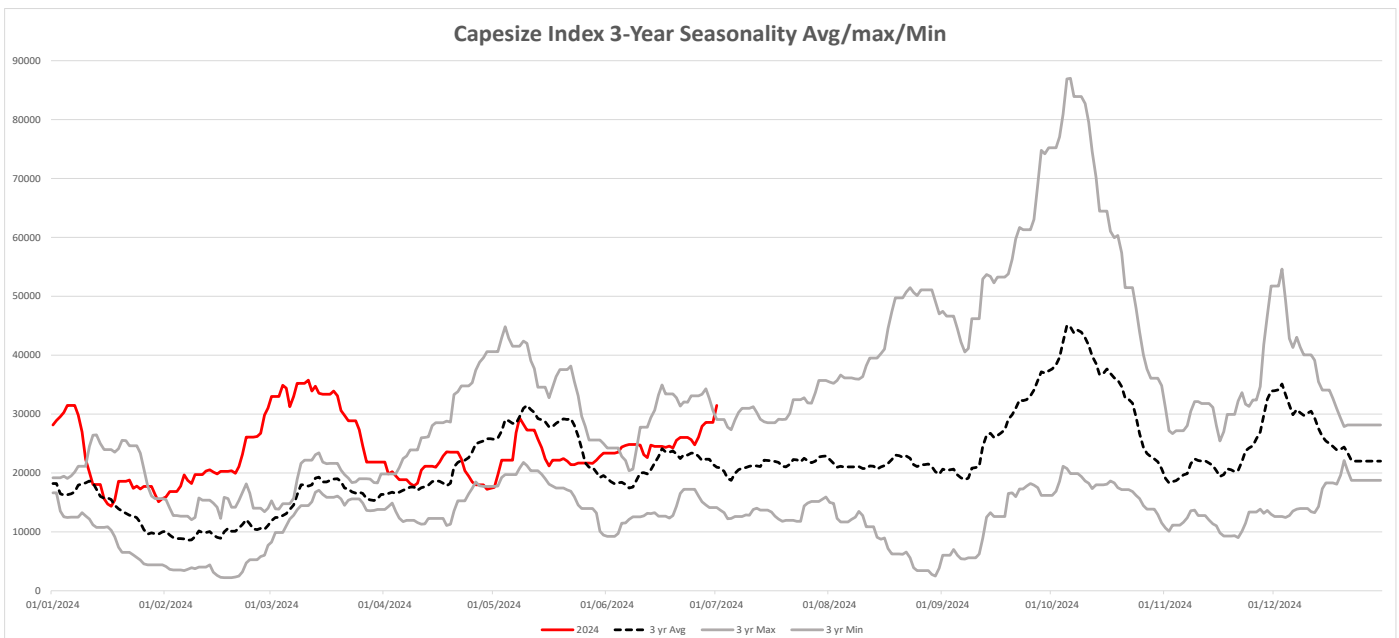


Support	Resistance	Current Price	Bull	Bear
S1	R1	31,438	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (68)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 27,302)
- Technically bearish with a neutral bias on the last report, the index had rejected key resistance, meaning that RSI was starting to move below its moving average. If we closed below and held below the average whilst price was below the weekly pivot level, it would warn that the 200-period MA (USD 24,054) could come under pressure. This was a benchmark average, if we held again, it would warn that there was an underlying support in the market, if broken, we target the secondary and primary trend support (USD 21,254 – USD 16,892).
- Having seen a small pullback, the index held above the longer-term average (whilst the RSI held its MA), resulting in price moving higher, the technical is now bullish. We are above all key moving averages with the RSI above 50.
- Momentum based on price (MBP) is aligned to the buy side, a close below USD 27,302 will mean it is aligned to the sell side. Downside moves that hold at or above USD 24,692 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is implying that momentum is supported. The RSI is now above 64, a signal that historically warns of upside continuation, implying resistance levels are vulnerable.



Capesize Aug 24 (1 Month forward)

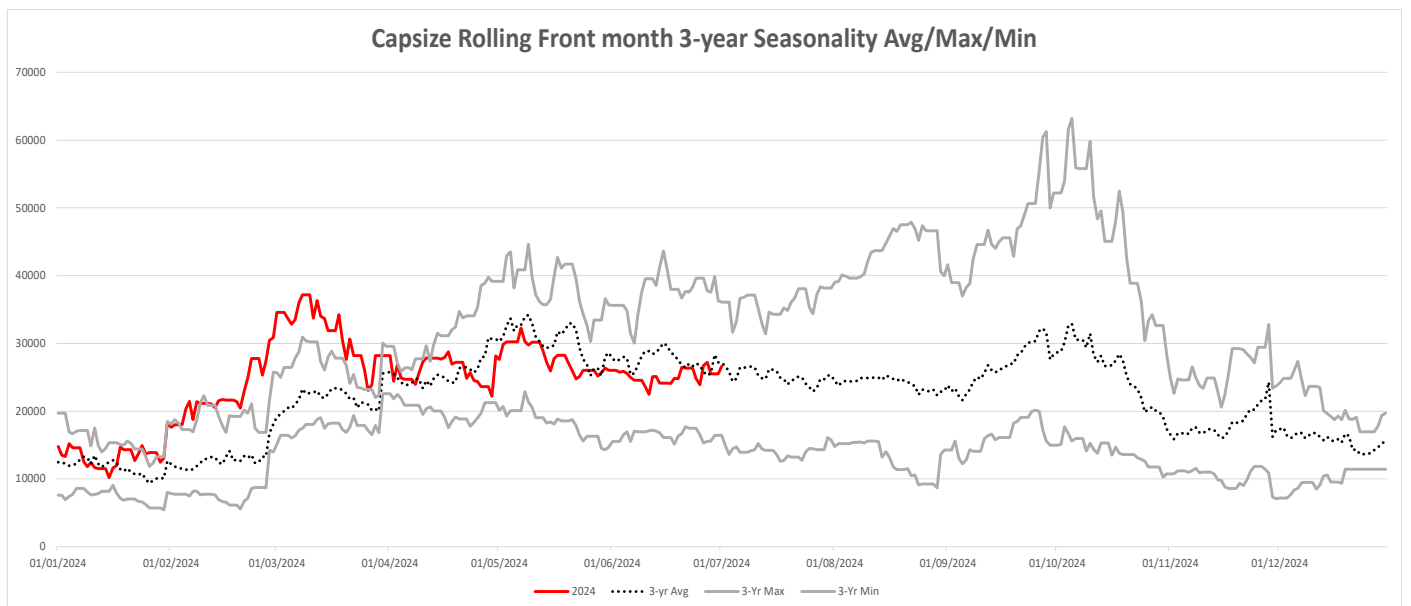


	Support	Resistance	Current Price	Bull	Bear
S1	25,733	R1	28,375	RSI above 50	Stochastic overbought
S2	23,997	R2	29,603		
S3	21,675	R3	30,650		

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI is flat, implying momentum was neutral. However, the RSI was below 50 with the stochastic in overbought territory, warning we had the potential to see a move lower in the near-term, making USD 23,445 the key support to follow. If broken, we would target the 200-period weekly MA at USD 22,048; likewise, if support held then resistance levels should come back under pressure. Like last week, we remained cautious on downside moves due to the trend support line (USD 22,268), the weekly 200-period MA (USD 22,048) and the daily 200-period MA (USD 21,626).
- The futures traded to a low of USD 23,825, we held support, resulting in a move higher. We have seen a pullback on the Roll into the August contract; however, a bullish intraday move and close on the 28/05 has resulted in buyside support entering the market. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 23,997 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the failure to close below the low of the last dominant bull candle (on the roll USD 25,175) has resulting in the futures moving higher. The MA on the RSI is implying that momentum is supported, whilst a close above the high of the last dominant bull candle (USD 26,875) will warn of upside continuation. Momentum would suggest that resistance levels are vulnerable, price action is bullish but now needs to close above USD 26,875 for upside continuation.

Source Bloomberg



Capesize Q3 24

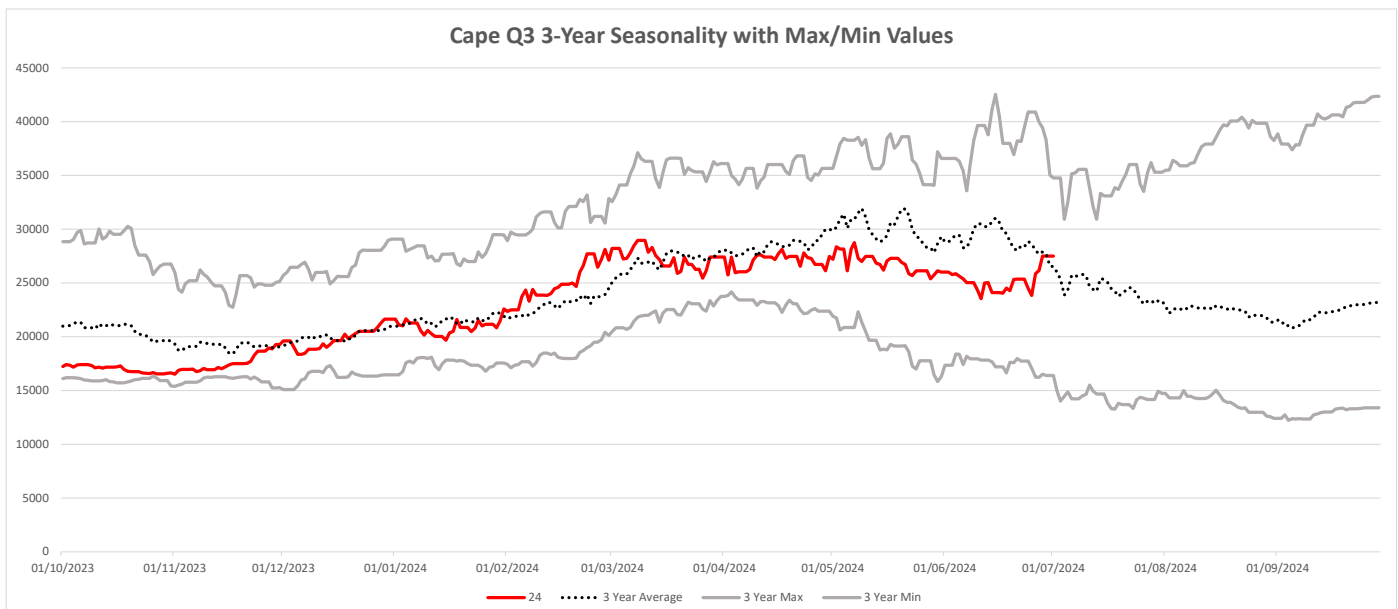


	Support	Resistance	Current Price	Bull	Bear	
S1	26,096	R1	27,500	RSI above 50	Stochastic overbought	
S2	25,662	R2				27,603
S3	25,074	R3				28,287

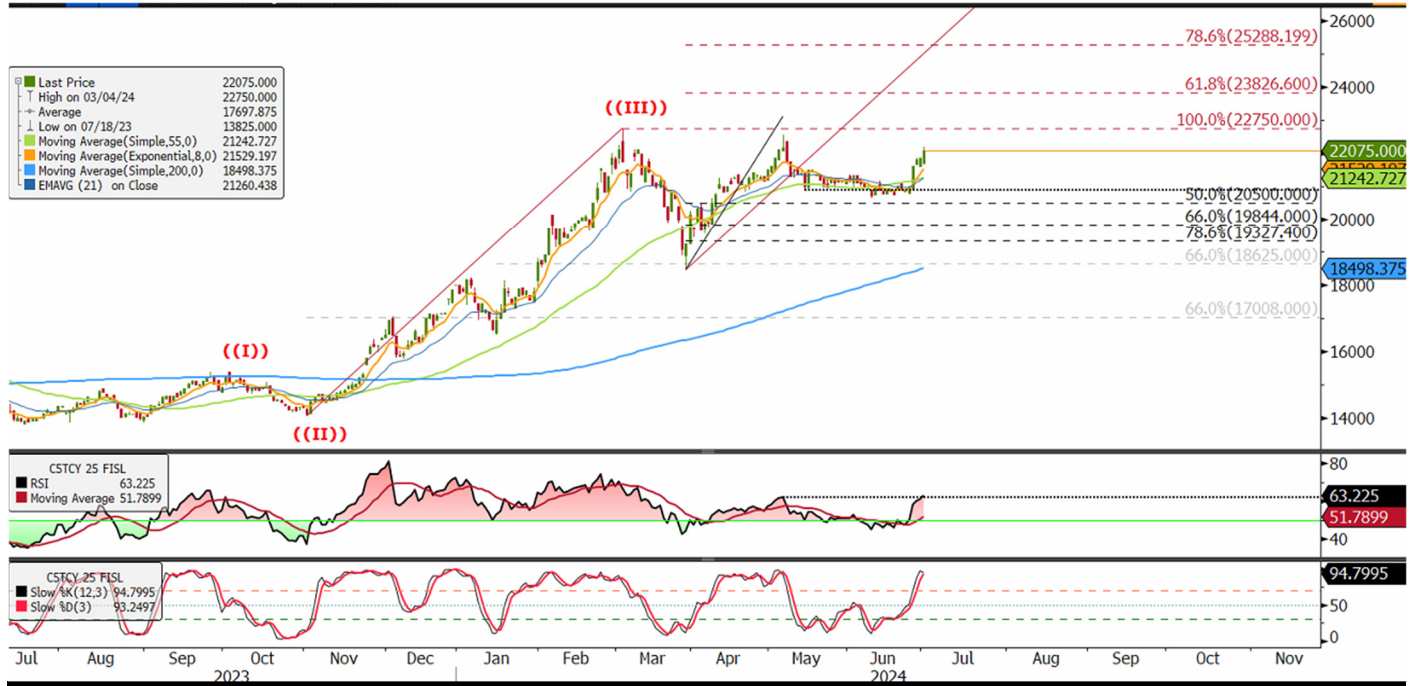
Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is above 50 (58)
- Stochastic is overbought
- Technically bullish with a neutral bias last week, the MA on the RSI was flat implying momentum was neutral; however, we did have a small bearish rejection candle off the 55-period EMA followed by a dominant bear candle, warning support levels were looking vulnerable in the near-term. As noted previously, intraday momentum indicators (4-hour RSI) would be in divergence below USD 23,125, suggesting cautious on downside breakouts below this level.
- The futures failed to test the USD 23,125 support with price trading to a low of USD 23,825, meaning the divergence did not come into play. Having held support, we have seen a strong move higher; we are above all key moving averages with the RSI above 50, the technical is back in bullish territory.
- Downside moves that hold at or above USD 25,075 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are moving higher having seen a 3-wave corrective move lower, suggesting the USD 28,825 and USD 29,625 resistance levels could now be tested and broken. However, to achieve this, the RSI needs to close above and hold above the resistance level it is now testing. The MA on the RSI is indicating that momentum is supported with downside moves now considered as countertrend, as the move higher is looking like it is bullish impulse.



Capesize Cal 25

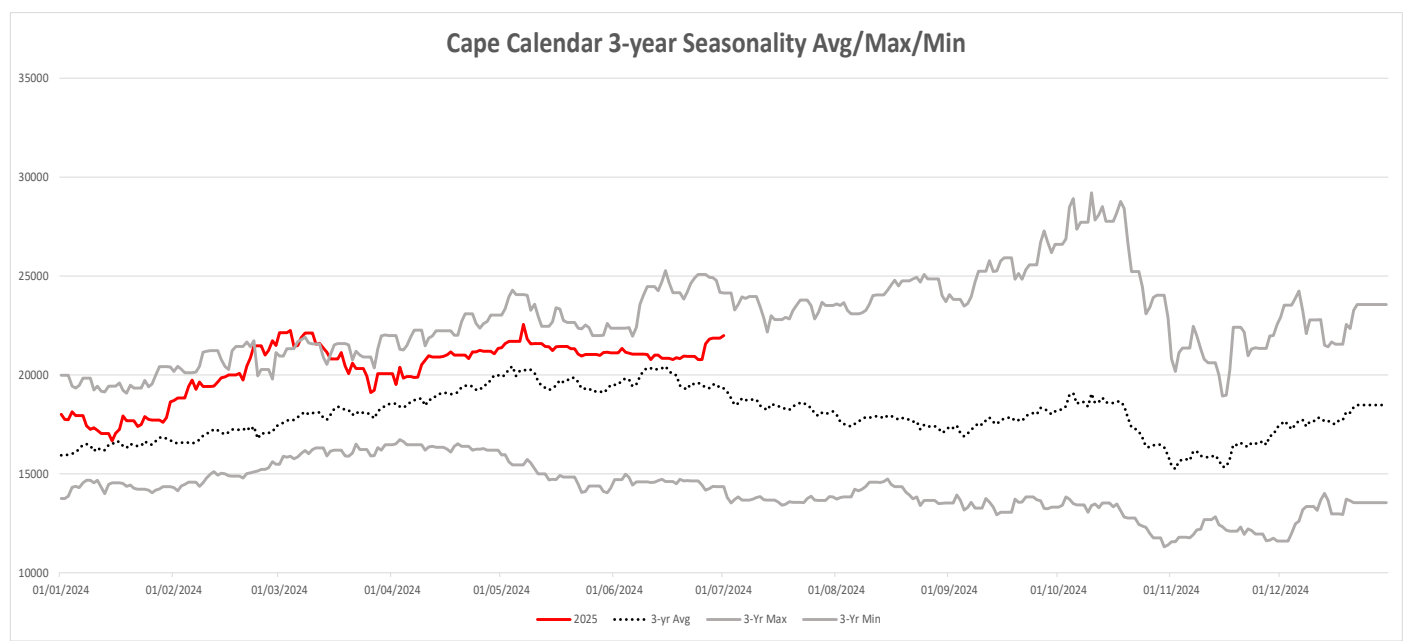


	Support	Resistance	Current Price	Bull	Bear
S1	20,500	R1	22,750	RSI above 50	Stochastic overbought
S2	19,844	R2	23,826		
S3	19,324	R3	25,288		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Technically bullish last week, price action was neutral due to it consolidating. However, we noted that the current correction was now twice the length in time as the March correction, with price seeing less than a 50% pullback. This warned that there remained an underlying support in the market, implying caution on downside moves.
- The futures have broken the consolidation to the upside, price is above all key moving averages with the RSI above 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, as noted previously, we were cautious on downside moves due to the length of time and lack of depth in recent pullback. The consolidation breakout to the upside is now warning that the USD 22,750 fractal high is now vulnerable. If we do trade to a new high, then the Elliott wave cycle highlight since the 26/02 would suggest that we have a potential near-term upside target at USD 23,826.



Capesize C5 Aug (Rolling Front Month Heikin Ashi Chart)



	Support	Resistance	Current Price	Bull	Bear
S1	10.32	R1	10.36		RSI below 50
S2	9.81	R2			
S3	9.32	R3			

- 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 above the 8-21 period EMA
- RSI is below 50 (49)
- Stochastic is overbought
- Technically bearish last week, momentum was conflicting, as the MA on the RSI implied that we had light momentum support; however, the RSI was below 50 with the stochastic in overbought territory, warning that we could see a move lower. As noted last week, we remain cautious on downside moves below USD 9.42 as the futures will be in divergence with the RSI. A cautious bear.
- A cautious bear last week, we have seen a small move higher. Price is above the 8-21 period EMA's with the RSI near-neutral at 49.
- Upside moves that fail at or below USD 11.13 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, near-term price action is bullish. The MA on the RSI is implying momentum is supported whilst price is above the 8-21 period EMA's and the weekly pivot level (USD 10.32), suggesting resistance levels are vulnerable. If we do trade above the USD 11.13 level, then the probability of the futures trading to a new low will start to decrease.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com