



Capesize Technical Report

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Index

Technically bullish, we remain in a corrective phase. The RSI move above 64 has failed to produce upside continuation that we had been expecting last week, the MA on the RSI now suggesting that momentum is neutral. However, we remain above key support (USD 24,692) in bullish territory, if we do trade below this level then the probability of the index trading to a new high will start to decrease.

Aug 24

We remain bullish but now have a neutral bias due to the intraday move below USD 23,997. However, technically our view remains unchanged, as we remain cautious on downside moves due to trend support at USD 22,227, the 200-period weekly MA at USD 22,100 and the daily at USD 21,999. The support zone means that from a technical perspective we are approaching a high-risk area to be short, as the market could be vulnerable to short-covering and longer-term market investors. For upside continuation, we will need to close above the high of the last dominant bear candle (USD 27,000). Cautious on downside moves at these levels.

Q3 24

This will probably be the last Q3 report due to the July futures pricing in. The longer-term technical remains bullish above USD 22,975; however, the intraday move below the USD 25,202 level means that near-term price action is now neutral. The RSI has crossed its MA, but the average continues to warn that we have light momentum support. We are seeing intraday support (based on current values USD 25,550), if we close above USD 25,900 (the high of the last dominant bear candle) it will indicate that buy-side pressure is increasing, meaning the USD 26,889 resistance could come under pressure. If broken the USD 27,875 fractal resistance could also come under pressure. If resistance holds, then it will warn that we could have another test to the downside. Mixed signals on the technical today, as price action is currently neutral, meaning we now need to see a close above USD 25,900 to signal buy-side pressure is increasing.

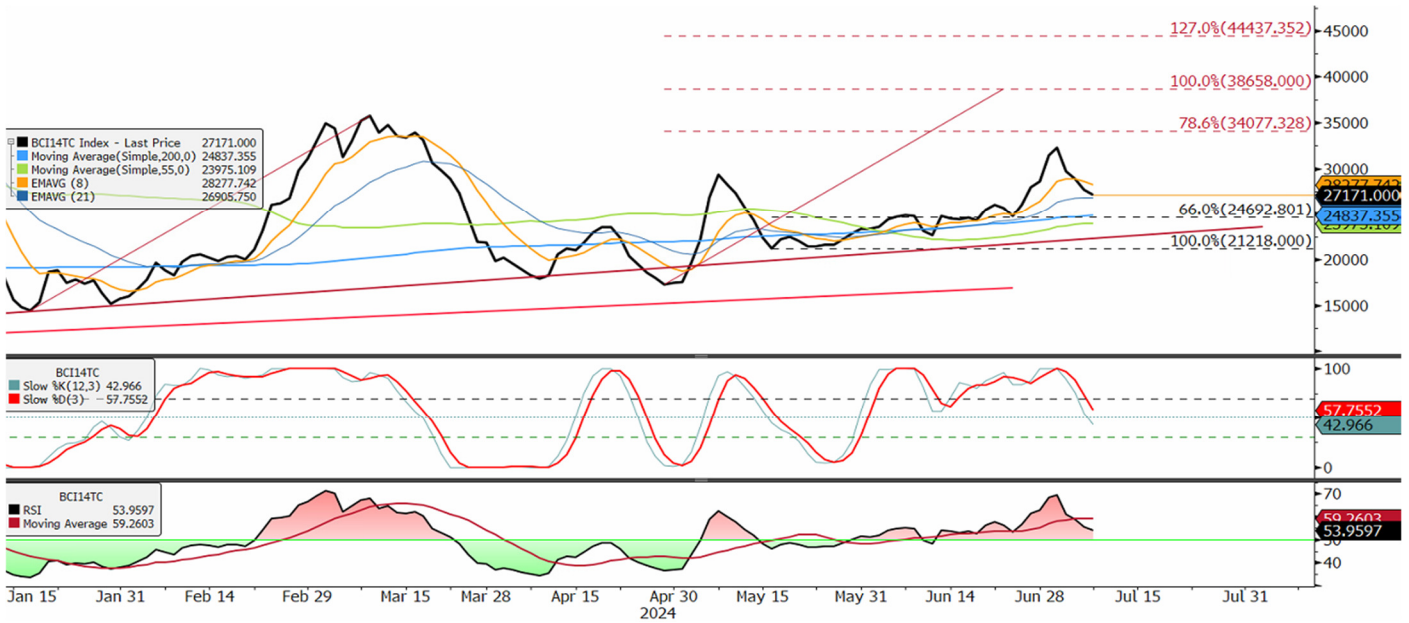
Cal 25

Bullish last week, the futures have started to consolidate again; however, the MA on the RSI continues to suggest that momentum is supported. If we close below the low of the last dominant bull candle (USD 21,700), it will warn that we could enter a corrective phase in the near-term. Intraday Elliott wave analysis does suggest that downside moves look like they could be counter-trend, whilst momentum is warning that resistance levels remain vulnerable.

Aug 24 C5

Technically bearish with bullish price action last week, having traded to a high of USD 10.61 the futures have entered a small corrective phase. The MA on the RSI is implying momentum is still supported; however, price is below the weekly pivot level (USD 10.43). A close above this level will imply that buy-side pressure is increasing, warning that resistance levels are vulnerable. We have momentum support but now need to see a close above USD 10.43, otherwise the USD 9.82 Fibonacci support could come under pressure.

Capesize Index

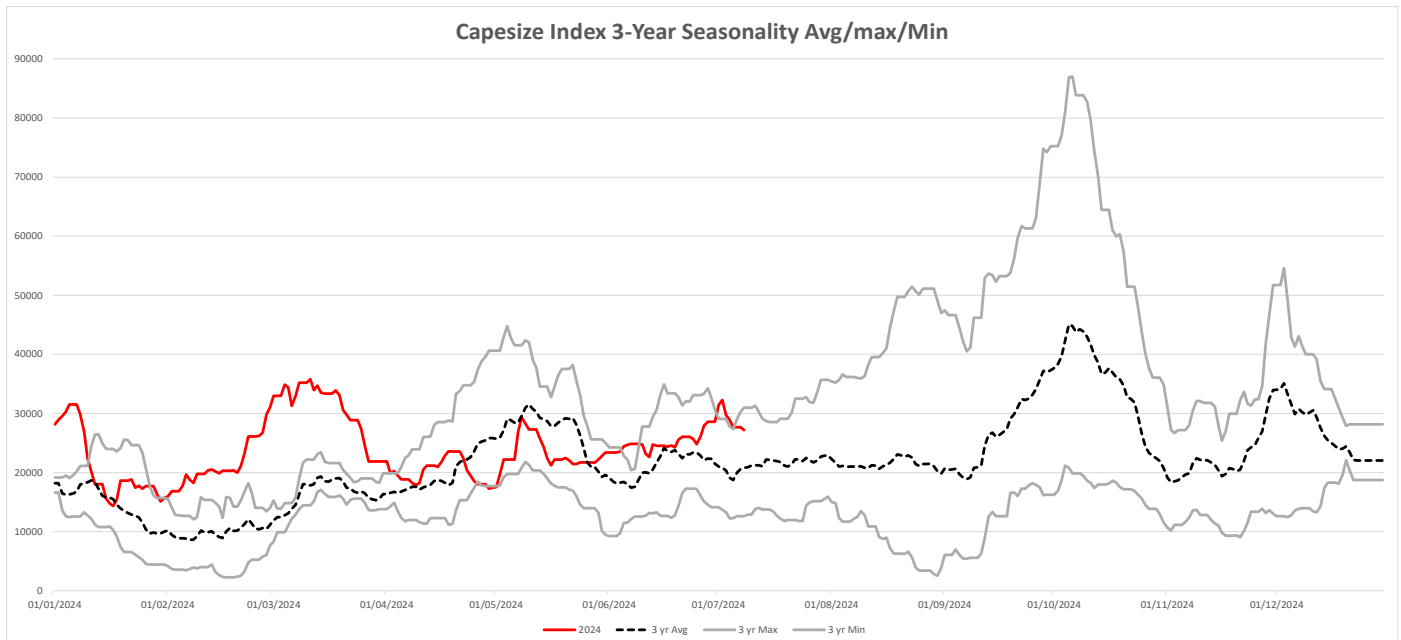


	Support	Resistance	Current Price	Bull	Bear
S1	24,692	R1	32,248	RSI above 50	
S2	22,256	R2	34,077		
S3	21,218	R3	38,658		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (53)
- Stochastic is above 50
- Price is below the weekly pivot point (USD 29,210)
- Technically bullish on the last report, the MA on the RSI implied that momentum was supported. The RSI was above 64, a signal that historically warned of upside continuation, implying resistance levels were vulnerable.
- The index traded to a high of USD 32,248, but the move has failed to hold, resulting in the index entering a corrective phase. We are between the 8-21 period EMA's with the RSI above 50.
- Momentum based on price (MBP) is aligned to the sell side, a close above USD 29,264 will mean it is aligned to the buy 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 we remain in a corrective phase with the MA on the RSI indicating that momentum is neutral. The RSI move above 64 has failed to signal the upside continuation that we had been expecting; however, we remain above our key support at USD 24,692. A move below this level will warn that the probability of the index trading a new high has started to decrease.



Capesize Aug 24 (1 Month forward)

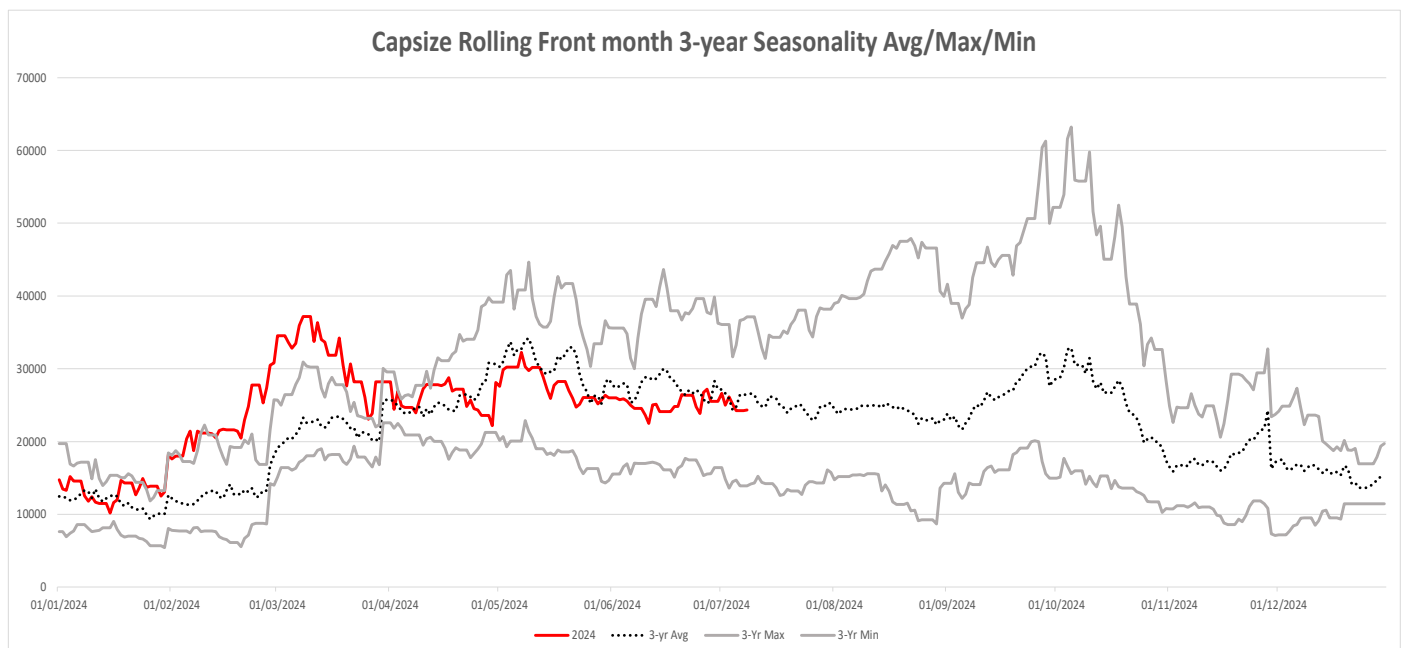


	Support	Resistance	Current Price	Bull	Bear
S1	23,997	R1	24,325		RSI below 50
S2	22,227	R2			
S3	22,100	R3			

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is below 50
- Technically bullish on the last report, the failure to close below the low of the last dominant bull candle (on the roll USD 25,175) had resulted in the futures moving higher. The MA on the RSI was implying that momentum is supported, whilst a close above the high of the last dominant bull candle (USD 26,875) would warn of upside continuation. Momentum suggested that resistance levels were vulnerable, price action was bullish, but we needed to close above USD 26,875 for upside continuation.
- The futures failed to close above the high of the last dominant bull candle (USD 26,875), resulting in the futures trading below the USD 23,997 support, meaning we now have a neutral bias. We are below the 8-21 period EMA's with the RSI below 50.
- Technically bullish with a neutral bias, the probability of the futures trading at a new high has started to decrease, the MA on the RSI is flat, implying momentum is neutral. However, as noted in the morning technical we have trend support at USD 22,227 with the 200-period weekly MA at USD 22,100 and daily at USD 21,999. Due to the multiple support levels at lower levels, we maintain a cautious view on downside moves. For upside continuation, the futures will need to close above the high of the last dominant bear candle (USD 27,000).

Source Bloomberg



Capesize Q3 24

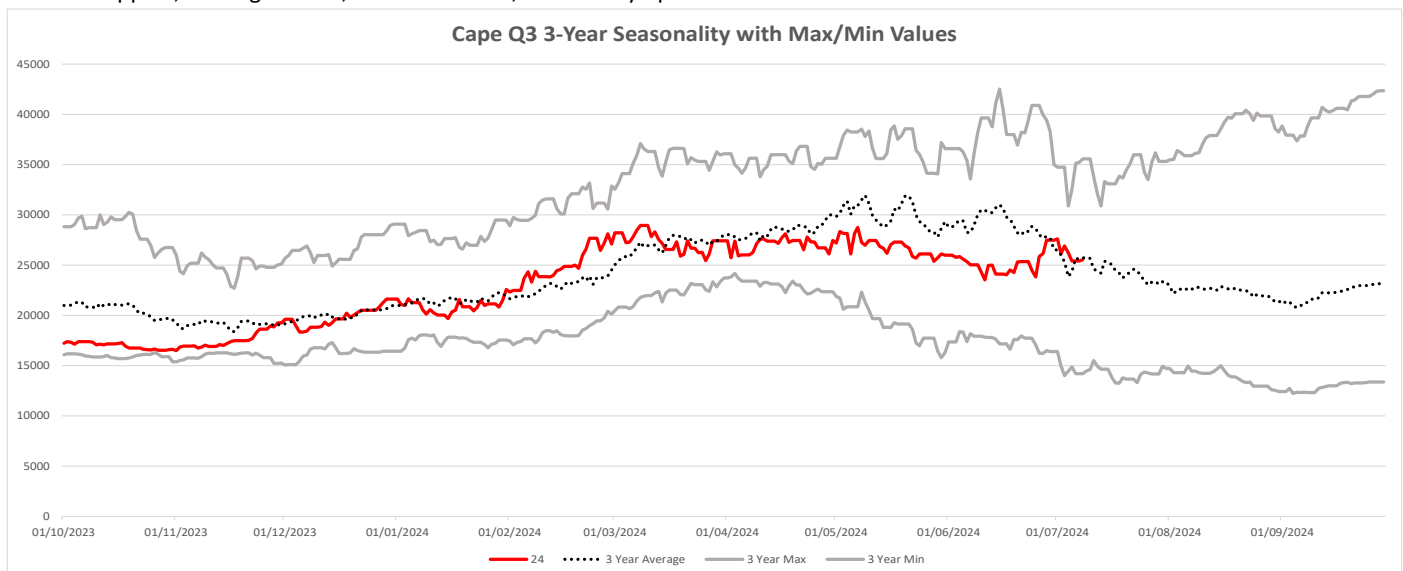


	Support	Resistance	Current Price	Bull	Bear
S1	25,202	R1	26,082	25,550	RSI below 50
S2	24,691	R2	26,258		
S3	23,825	R3	26,889		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is below 50 (48)
- Stochastic is above 50
- Technically bullish on the previous report, the futures were 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 needed to close above and hold above the resistance level it was testing. The MA on the RSI indicated that momentum was supported with downside moves now considered as countertrend, as the move higher looked like it was bullish impulse.
- The RSI closed above its resistance line but failed to hold above it, resulting in the futures entering a corrective phase with price trading below the USD 25,202 support. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 26,889 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bull territory.
- The longer-term technical is bullish; however, the move below USD 25,200 means that near-term price action is neutral. The RSI is below its average, but the MA continues to warn that we have light momentum support. If we close above the high of the last dominant bear candle (USD 25,900), it will warn that momentum based on price is increasing, warning that the USD 26,889 resistance could come under pressure. If broken the USD 27,875 fractal resistance could also come under pressure, if resistance holds, then it will warn that we could have another test to the downside. A mixed technical where price action is currently neutral, we have broken the USD 25,202 support, but the futures (based on current values) are showing intraday support, making USD 25,900 and USD 26,889 the key upside levels to follow.



Capesize Cal 25

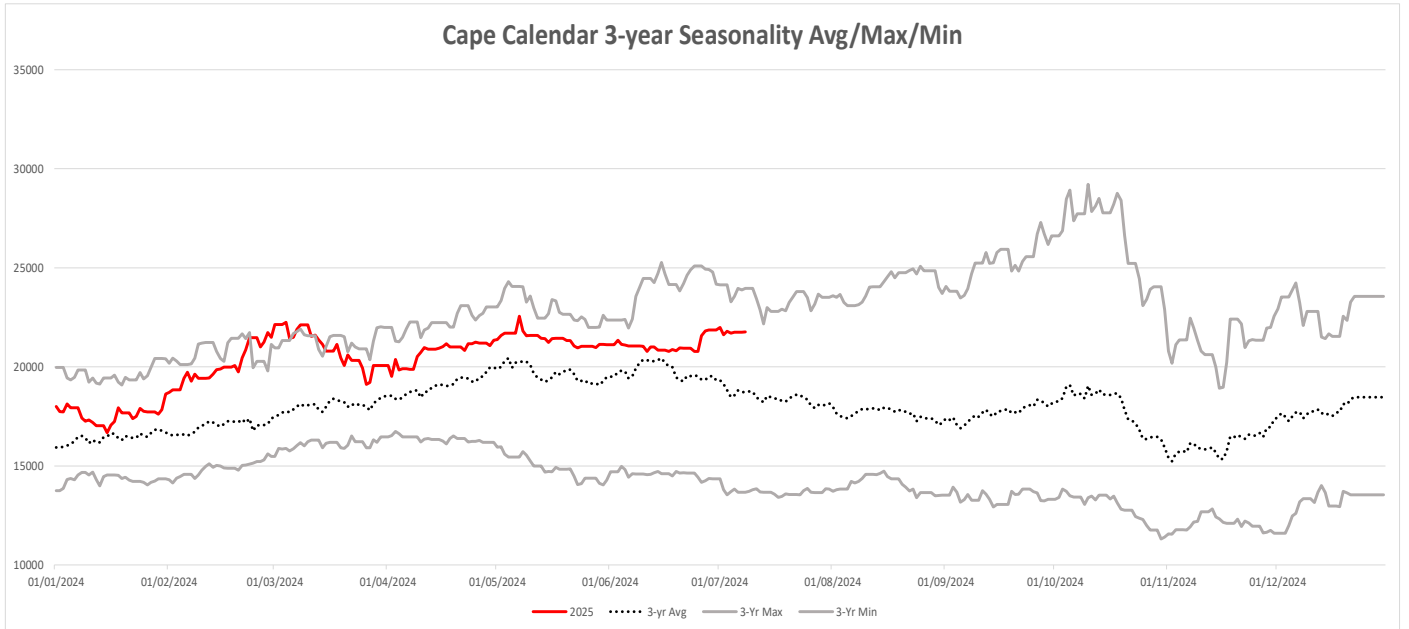


	Support	Resistance	Current Price	Bull	Bear
S1	20,500	R1	21,775	RSI above 50	Stochastic overbought
S2	19,844	R2			
S3	19,324	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is overbought
- Technically bullish last week, 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 warned that the USD 22,750 fractal high was now vulnerable. If we did 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.
- Having broken to the upside the futures are consolidating once again. We are 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, the MA on the RSI continues to suggest that momentum remains supported at this point. If we close below the low of the last dominant bull candle (USD 21,700), it will warn that sell side pressure is increasing in the near-term. However, our Elliott wave analysis continues to suggest that downside moves look like they could be countertrend, with momentum warning that resistance levels are still vulnerable.



Capesize C5 Aug (Rolling Front Month Heikin Ashi Chart)



	Support	Resistance	Current Price	Bull	Bear	
S1	10.32	R1	10.35		RSI below 50	
S2	9.81	R2				11.13
S3	9.32	R3				11.46

- 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 between the 8-21 period EMA
- RSI is below 50 (49)
- Stochastic is overbought
- Technically bearish last week, near-term price action was bullish. The MA on the RSI implied that momentum was supported whilst price was above the 8-21 period EMA's and the weekly pivot level (USD 10.32), suggesting resistance levels were vulnerable. If we did trade above the USD 11.13 level, then the probability of the futures trading to a new low will start to decrease.
- The futures traded to a high of USD 10.61 before trading back to last weeks levels. We are between 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. Likewise, downside moves that hold at or above USD 9.82 will support a bull argument, below this level the USD 9.42 fractal low will start to look vulnerable.
- Technically bearish, the MA on the RSI continues to suggest that momentum is supported. The weekly pivot level is now at USD 10.43, a close above this level will imply that buy-side pressure is increasing, warning that resistance levels are vulnerable. We have momentum support but now need to see a close above USD 10.43, otherwise the USD 9.82 Fibonacci support could come under pressure.

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