



Capesize Technical Report

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Index

We noted last week that the index was in divergence, whilst the RSI was at resistance, warning upside moves had the potential to be limited. The index has entered a corrective phase, resulting in price selling lower. We remain bullish but in a corrective phase, the MA on the RSI is implying that momentum is neutral. The index is higher today whilst the RSI is in an area that has previously acted as a support. A close above the MBP level (USD 27,075) will warn that the USD 28,232 high could be tested and broken. However, as noted previously, a new will put the RSI in the resistance zone and/or in divergence, meaning we remain cautious on upside breakouts above this level.

Oct 24

Technically bullish but in a corrective phase last week, our Elliott analysis suggested that downside moves were considered countertrend. We remain in a corrective phase with the MA on the RSI implying momentum is neutral. Our wave analysis continues to suggest that downside moves look to be countertrend, making USD 25,908 the key support to follow, a move below this level will mean that the probability of the futures trading to a new high will start to decrease. As previously noted, we remain cautious on upside breakouts above USD 30,875, as this will create a negative divergence with the RSI. Not a sell signal, it warns that we could see a momentum slowdown on an upside breakout. We maintain a cautious view on downside moves.

Q4 24

Technically bullish the futures remained in a corrective phase last week. Having continued to move lower the futures have breached key support at USD 26,895, meaning the probability of the futures trading to a new high has started to decrease. We are now finding light bid support; however, the MA on the RSI is warning that momentum remains weak, implying support levels are still vulnerable. If we close on the daily candle above the high of the last dominant bear candle (USD 27,525) it will indicate that buy-side pressure is increasing, warning the USD 28,178 resistance could be tested and broken; if it is, then the technical will be back in bullish territory. We have a note of caution on downside breakouts below the USD 26,825 low, as it has the potential to create a positive divergence on the intraday technical.

Cal 25

Bullish but in a corrective phase last week, we noted that a move below USD 21,475 would create a minor divergence on the intraday chart. Having traded to a low of USD 21,050 the futures have found bid support, a bullish candle today (16/09) is warning that there is underlying support in the market, meaning we are vulnerable to a move higher in the near-term. The initial positive divergence failed; however, downside moves below USD 21,050 have the potential to create further divergences with the RSI, suggesting caution on downside breakouts below this level.

C5 Oct 24

Technically bullish, the upside move last week failed to hold due to the divergence and the resistance zone, resulting in a move lower. We have seen a move higher since late July that has resulted in both price and the RSI making new highs, implying downside moves have the potential to be countertrend. This is supported by the market profile chart that has USD 10.40 as the most heavily traded area in the last 12 months, indicating support in the market at lower levels.

Capesize Index

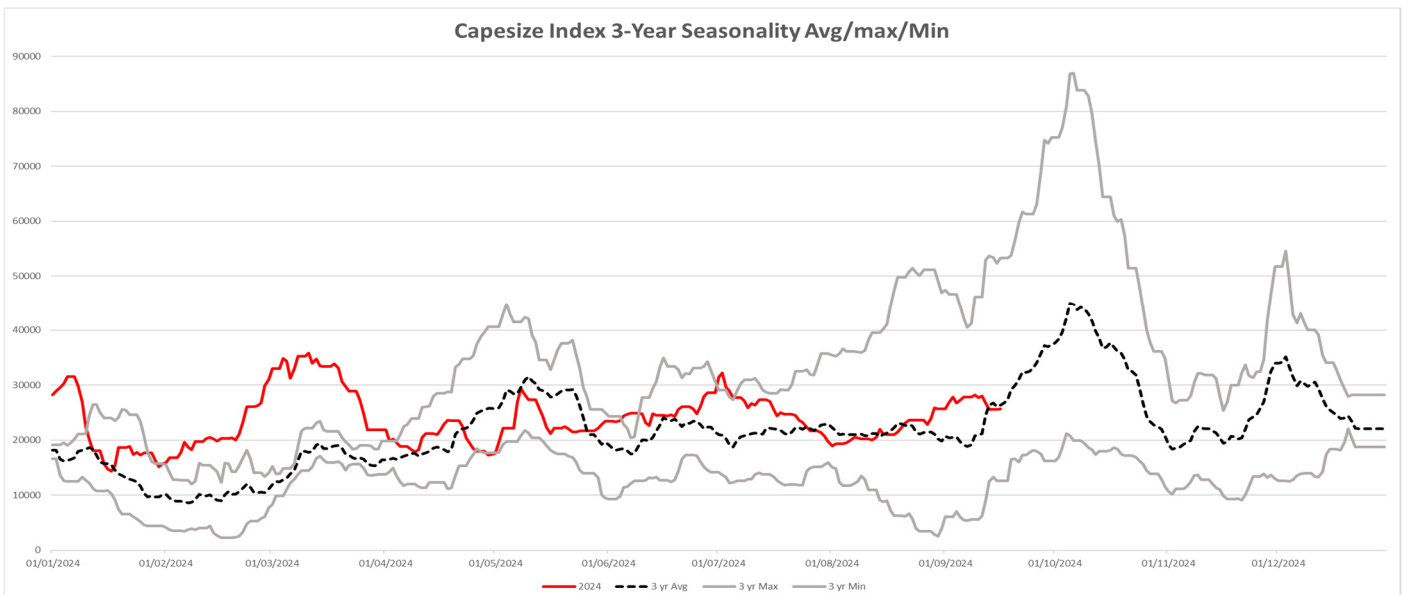


	Support	Resistance	Current Price	Bull	Bear
S1	24,700	R1	29,409	RSI above 50	
S2	22,129	R2	32,248		
S3	18,986	R3	35,828		

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 26,490)
- Technically bullish last week, the MA on the RSI implied that momentum was supported. The RSI was approaching a resistance area whilst we had a very minor divergence in play, suggesting upside moves had the potential to be limited in the near-term.
- The index didn't trade higher and entered a corrective phase the following day. 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 27,075 will mean it is aligned to the buy side. Downside moves that hold at or above 22,129 will support a near-term bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI is flat, implying momentum is neutral. We have seen the index turn higher today (16/09) whilst the RSI is in an area that has previously acted as support (highlighted). If we close above the USD 27,075 level, it will warn that the USD 28,232 high could be tested and broken; however, as noted last week, above this level will put the RSI in a resistance zone and potentially in divergence, implying caution of upside breakouts. If we do trade below USD 22,129, then the probability of the index trading to a new high will start to decrease.



Capesize Oct 24 (1 Month forward)

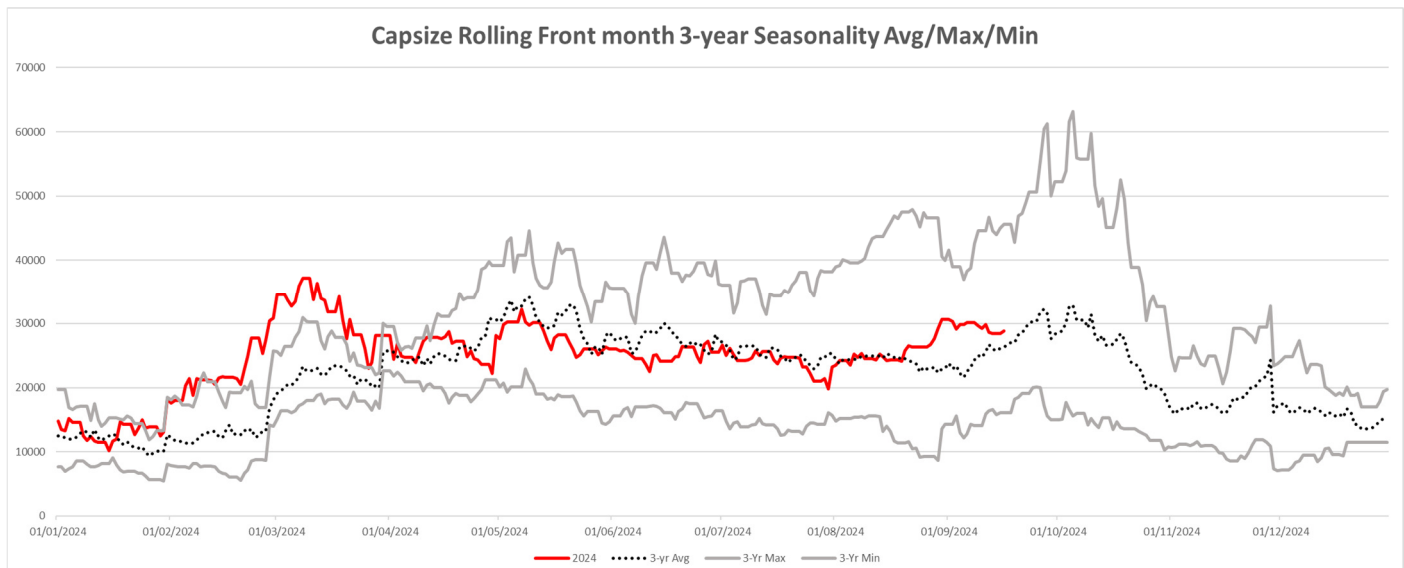


	Support	Resistance	Current Price	Bull	Bear
S1	28,000	R1	28,900	RSI above 50	
S2	27,112	R2			
S3	25,908	R3			

Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is below 50
- Technically bullish last week, the MA on the RSI implied that momentum remained supported. The futures had seen an intraday pullback on the 09/09; however, our Elliott wave analysis continued to suggest that downside moves looked like they could be countertrend, making USD 25,908 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. Like last week, we remained cautious on upside breakouts above USD 30,875, as this will create a negative divergence with the RSI. Not a sell signal, it did warn that we could see a momentum slowdown on an upside breakout.
- The futures remain in a corrective phase; however, we are finding bid support off the 21 period EMA, with RSI is above 50.
- Downside moves that hold at or above USD 25,908 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 suggesting that momentum is neutral. The rest of the technical is unchanged, our Elliott wave analysis continues to suggest that downside moves look like they could be countertrend, making USD 25,908 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. As previously noted, we remain cautious on upside breakouts above USD 30,875, as this will create a negative divergence with the RSI. Not a sell signal, it warns that we could see a momentum slowdown on an upside breakout. We maintain a cautious view on downside moves at this point.

Source Bloomberg



Capesize Q4 24

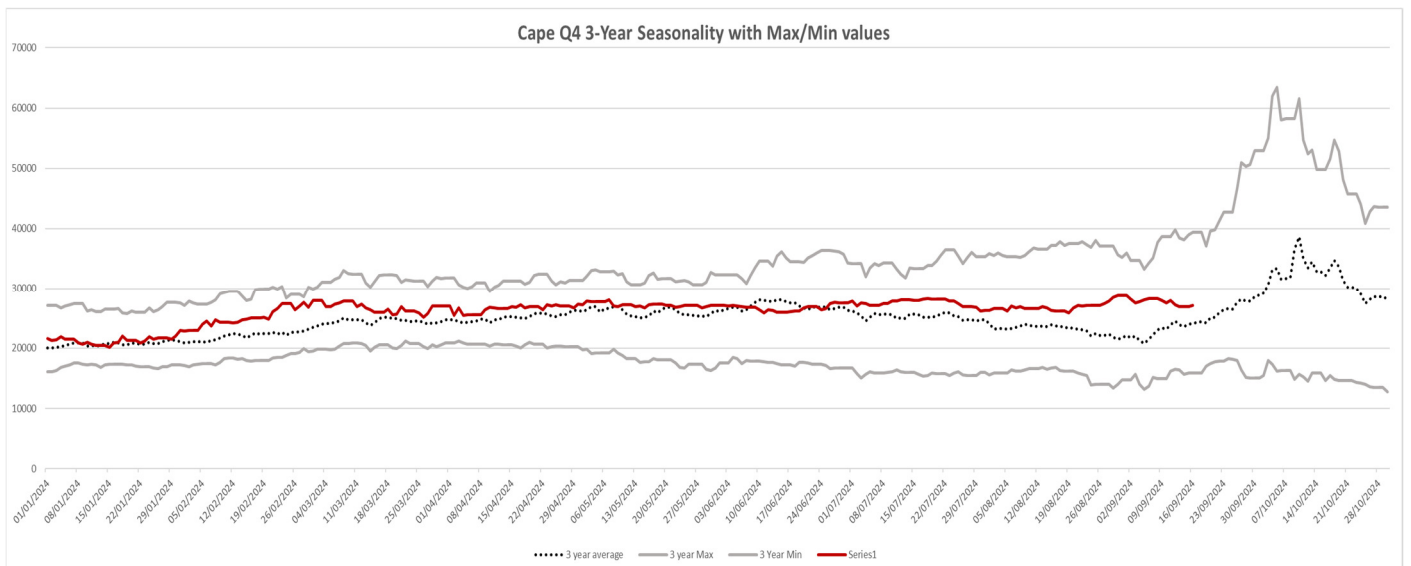


	Support	Resistance	Current Price	Bull	Bear
S1	26,895	R1	27,200	Stochastic oversold	RSI below 50
S2	26,517	R2			
S3	25,875	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA
- RSI is below 50 (48)
- Stochastic is oversold
- Technically bullish last week, the futures remained in a corrective phase. The MA on the RSI is implying that we still had momentum support; however, the RSI was testing the average, if we started to close below and hold below it, then it would warn that there could still be further downside. Our Intraday Elliott wave analysis continued to suggest that downside moves look to be countertrend, making USD 26,895 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease.
- The RSI closed below its average resulting in further downside within the corrective phase. We remain corrective with price breaching the USD 26,895 support. Price is below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 28,178 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Technically bullish but with a neutral bias, 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 support levels remain vulnerable at this point. A close on the daily candle above the high of the last dominant bear candle (USD 27,525) will indicate that buyside pressure is increasing, warning the USD 28,178 resistance could be tested and broken; if it is, then the technical will be back in bullish territory. We have a note of caution on downside breakouts below the USD 26,825 low, as it has the potential to create a positive divergence on the intraday technical.



Capesize Cal 25

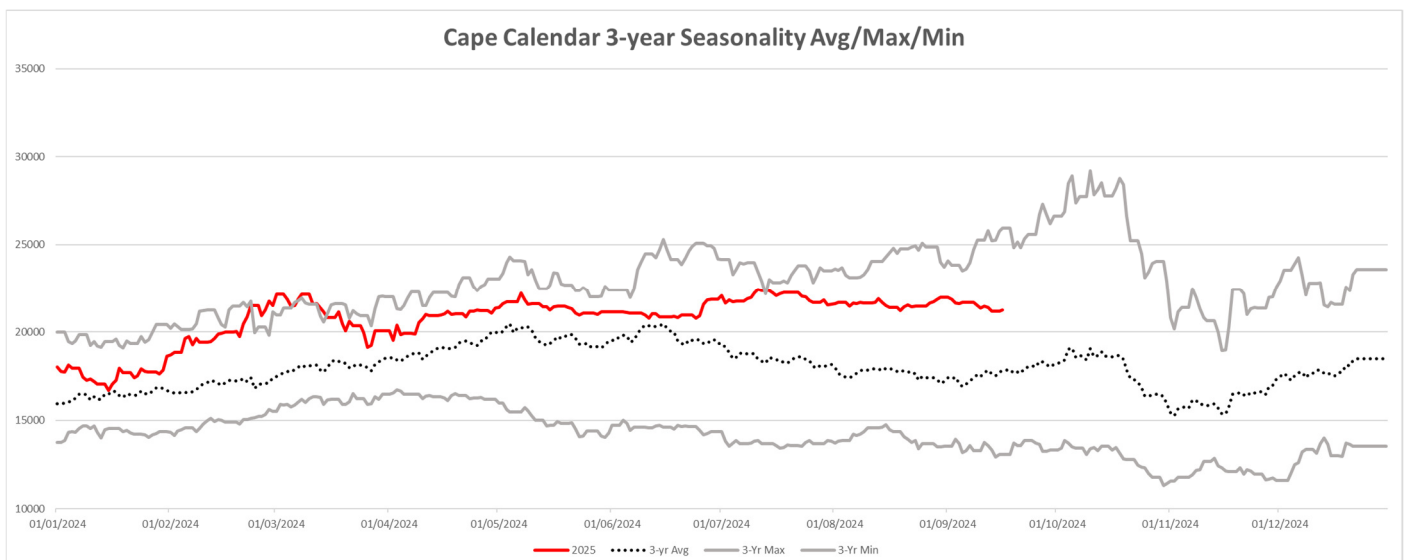


	Support	Resistance	Current Price	Bull	Bear
S1	21,050	R1	22,400	Stochastic oversold	RSI below 50
S2	20,500	R2	22,750		
S3	19,844	R3	23,826		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (44)
- Stochastic is below 50
- Technically bullish last week, the futures remained in a corrective phase. The MA on the RSI was neutral; however, it had acted as a resistance to the RSI, warning buyside momentum remained weak. The futures were back in the consolidation zone that formed in August, suggesting price action was neutral. If we do trade below the USD 21,475 level, it would create a minor positive divergence with the intraday RSI on the 1-hour technical, implying caution on downside breakouts. Price action was currently in neutral territory.
- The futures sold below the USD 21,475 fractal support; however, the downside move is struggling to hold, resulting in price finding light bid support. We are below the 8-21 period EMA's with the RSI below 50.
- Downside moves that hold at or above USD 19,844 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures remain in a corrective phase. The MA on the RSI is implying that momentum is weak at this point. However, a bullish support candle today is warning that there is underlying support in the market, meaning we are vulnerable to a move higher in the near-term. The initial positive divergence failed; however, downside moves below USD 21,050 have the potential to create further divergences with the RSI, suggesting caution on downside breakouts below this level.



Capesize C5 OCT (Rolling Front Month Heikin Ashi Chart)



	Support	Resistance	Current Price	Bull	Bear
S1	10.53	R1	11.43	RSI above 50	
S2	10.29	R2	12.10		
S3	9.97	R3	12.76		

- 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 above 50 (54)
- Stochastic is above 50
- Technically bullish last week, the MA on the RSI implied that momentum was supported. However, the upside move to a new high meant that the RSI was in divergence with price, whilst we were back testing the RSI resistance zone. Although bullish, we now have a note of caution on upside moves as they could struggle to hold.
- The futures failed to move higher, resulting in price entering a small corrective phase. We are between the 8-21 period with the RSI above 50.
- Downside moves that hold at or above 9.97 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is flat, implying momentum is neutral. Just a point of note, if you look at a market profile chart, the most heavily traded area in the last 12 months is between USD 11.10 – USD 9.30. Within this zone, the most heavily traded area is at USD 10.40. This level is between the 38.2% and 50% Fibonacci retracement area. The recent upside move since July has seen the RSI and price make new highs, warning this downside move (alongside the market profile chart support) has the potential to be countertrend. We are correcting but have a cautious view on moves lower. If we do trade below the USD 9.97 level, then the probability of the futures trading to a new high will start to decrease.

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