



Capesize Technical Report

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Index

Having held RSI support last week, the index has traded to a new high, meaning we are testing the RSI resistance zone whilst price is divergent with the RSI. The divergence is warning that we have the potential to see a momentum slowdown, if we close below the MBP level will warn that sell side pressure is increasing, meaning the Fibonacci support zone will start to look vulnerable. We are a cautious bull due to the divergence in play.

Nov 24

Technically bullish last week with downside moves considered as countertrend, the October futures did go on to trade to new highs. We have now rolled into the November contract, resulting in the futures opening below the USD 28,250 fractal support, the technical is now bearish. The Fractal break indicates that the bullish Elliott wave cycle has completed, warning upside moves have the potential to be countertrend, making USD 30,515 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease.

Q4 24

Price action was neutral last week; however, the futures closed above the USD 28,375 level resulting in price trading to new highs. We are now divergent on both the daily and intraday technical, warning we have the potential to see a momentum slowdown. Due to the divergence in play, we have a note of caution on upside moves at these levels.

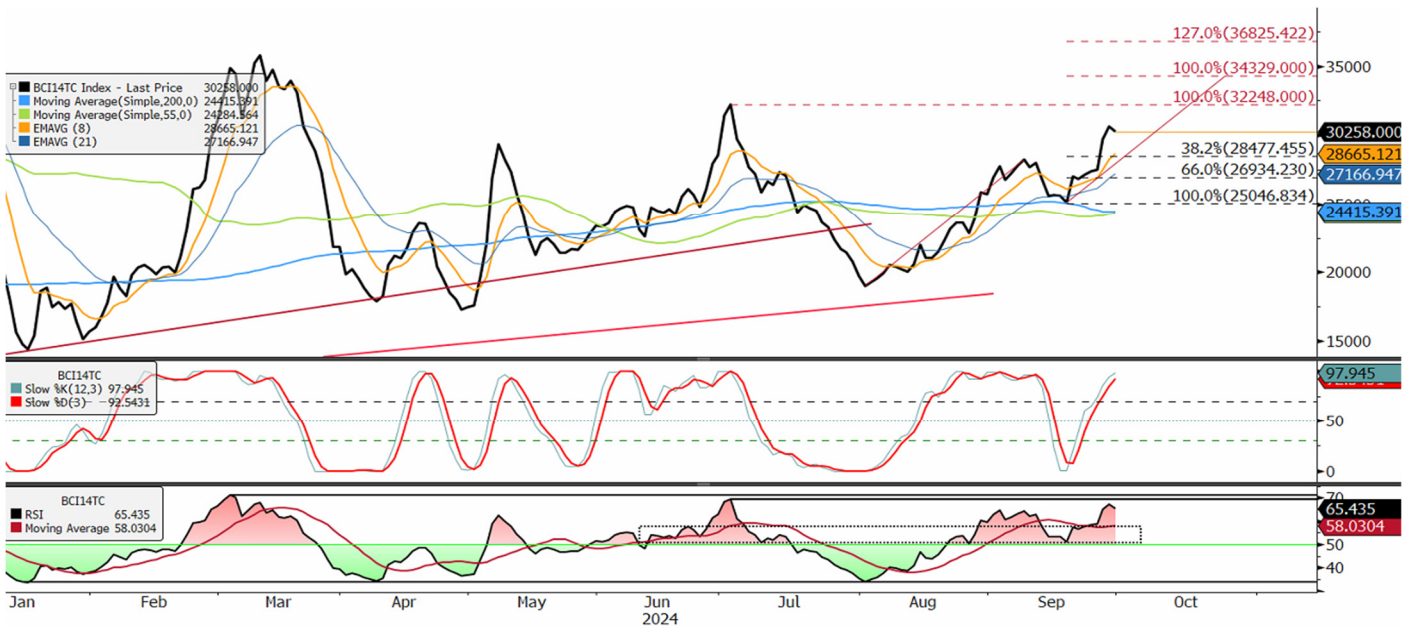
Cal 25

We were cautious on upside moves last week as price was testing upper channel resistance, we noted that a close above that held above the channel resistance was needed for upside continuation. The futures did close above and hold above the resistance line, resulting in price moving higher. As highlighted in the technical, in theory we should trade above the USD 25,550 resistance; however, the RSI is testing resistance, meaning we are vulnerable to a short-term pullback. Downside moves that hold above channel support (USD 21,696) will leave resistance levels vulnerable.

C5 Nov 24

We noted last week that the futures should trade to a new high; however, this would create a negative divergence with the RSI, due to the divergence ahead, the futures were not considered a technical buy on an upside breakout. Having traded to a new high, we have rolled into the November contract, meaning price has moved lower (this is not yet visible, as it is a close on chart). We remain bullish but price is in divergence with the RSI, meaning we are cautious on upside moves at these levels, as they could struggle to hold.

Capesize Index

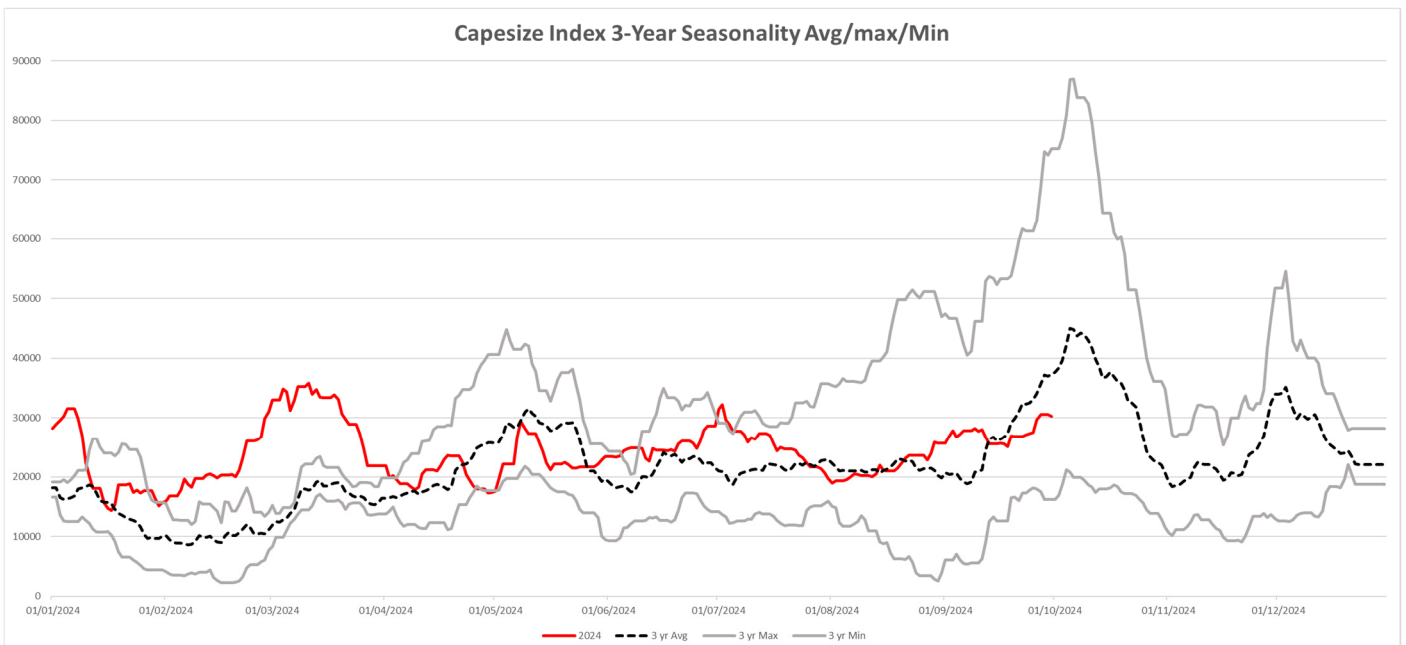


	Support	Resistance	Current Price	Bull	Bear
S1	29,452	R1	32,248	RSI above 50	Stochastic overbought
S2	28,477	R2	34,329		
S3	26,934	R3	36,825		

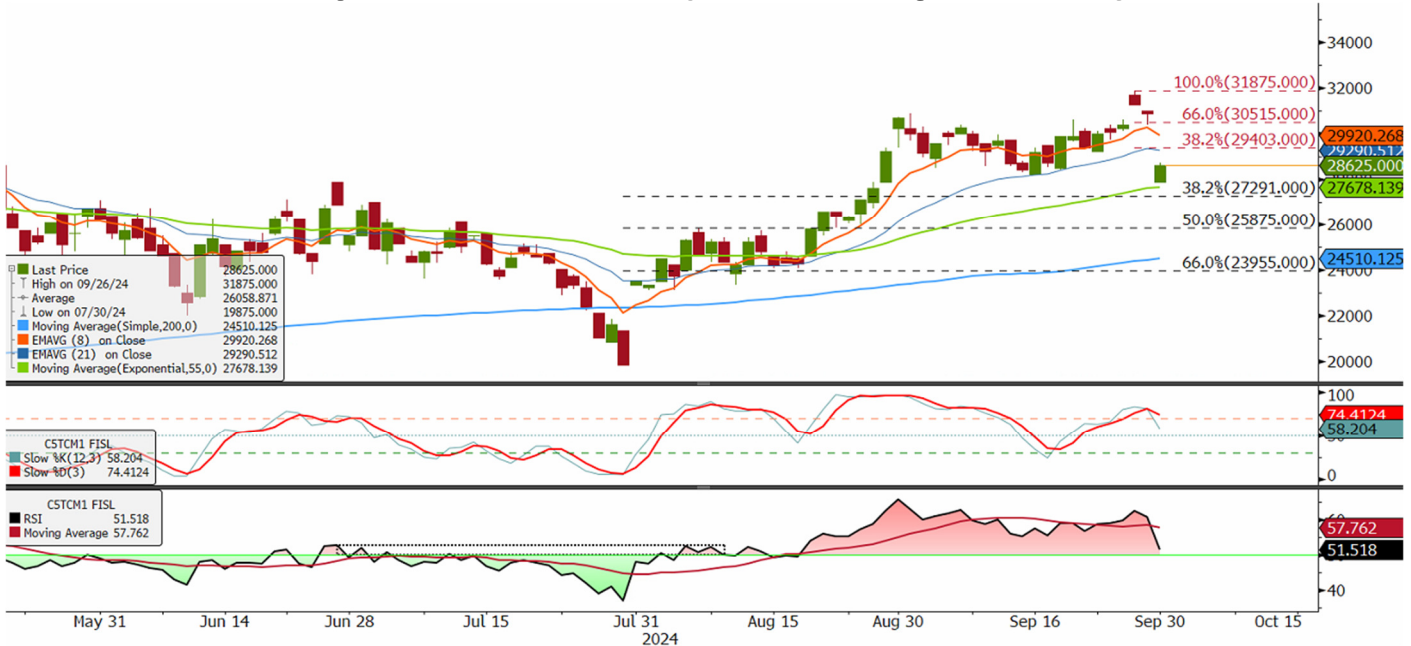
Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 29,452)
- Technically bullish but in a corrective phase last week, the MA on the RSI was flat, implying momentum was neutral. We had seen the index turn higher on the 16/09 whilst the RSI is in an area that has previously acted as support (highlighted). If we closed above the USD 27,075 level, it would warn that the USD 28,232 high could be tested and broken; however, as noted previously, above this level would put the RSI in a resistance zone and potentially in divergence, implying caution of upside breakouts. If we did trade below USD 22,129, then the probability of the index trading to a new high would start to decrease.
- The index has move higher with price 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 26,146 will mean it is aligned to the sell 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, the upside move means that the RSI is approaching a resistance zone whilst in a divergence dating back to 07/24. Not a sell signal it is a warning that we have the potential to see a momentum slowdown, which will need to be monitored. A close below the MBP level will warn that sell side pressure is increasing, meaning the Fibonacci support zone will start to look vulnerable. We are a cautious bull due to the divergence in play.



Capesize Nov 24 (1 Month forward)

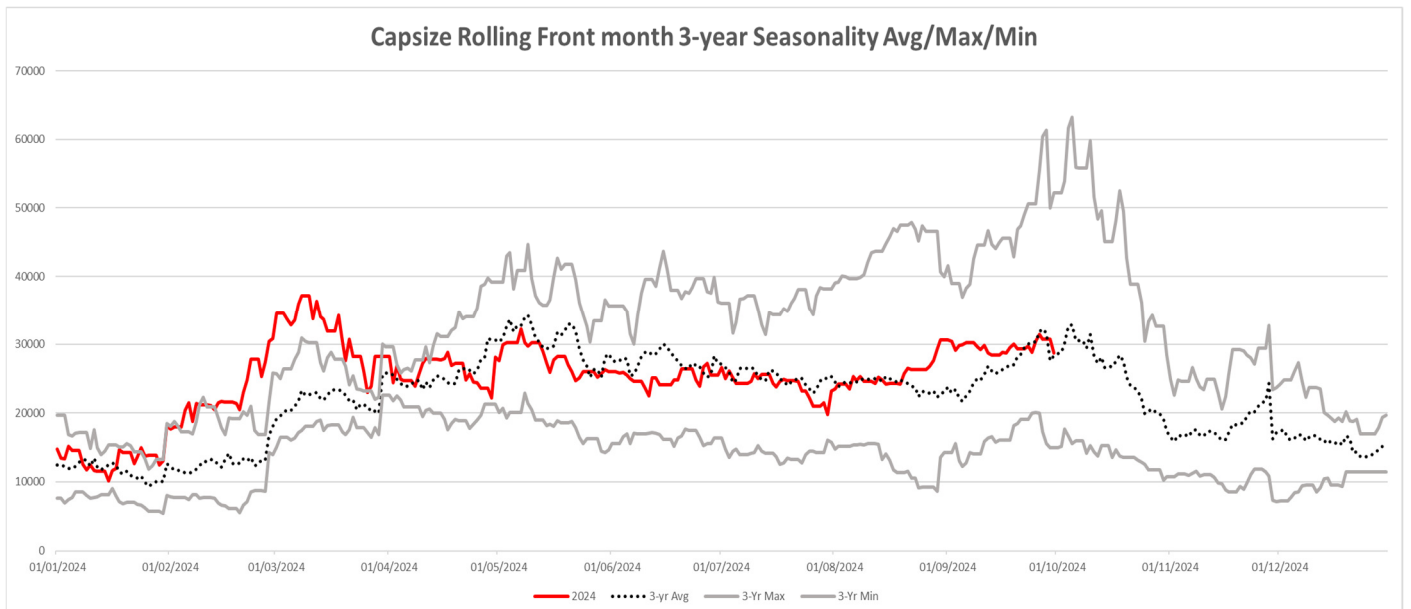


	Support	Resistance	Current Price	Bull	Bear
S1	27,291	R1	28,625	RSI above 50	Stochastic overbought
S2	25,875	R2			
S3	23,955	R3			

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 remained flat, implying momentum was neutral. The upside move had failed to trade above the USD 30,875 fractal high, meaning downside moves still looked to be countertrend. As noted previously, we remained cautious on upside breakouts above USD 30,875, as this would create a negative divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown which needed to be monitored.
- The futures broke to the upside, confirming we had entered the Elliott wave 5 of this phase of the cycle. We have now rolled into the November contract, resulting in the futures opening below the USD 28,250 fractal support, meaning the rolling front month technical is now bearish. We are below the 8-21 period EMA's with the RSI still above 50.
- Upside moves that fail at or below USD 30,515 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 23,955 will warn that there could be a larger, bullish, Elliott wave cycle in play.
- Technically bearish, the MA on the RSI is warning that we have light momentum weakness. The break in fractal support would suggest that the bullish Elliott wave cycle has completed, warning upside moves have the potential to be countertrend, making USD 30,515 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease.

Source Bloomberg



Capesize Q4 24

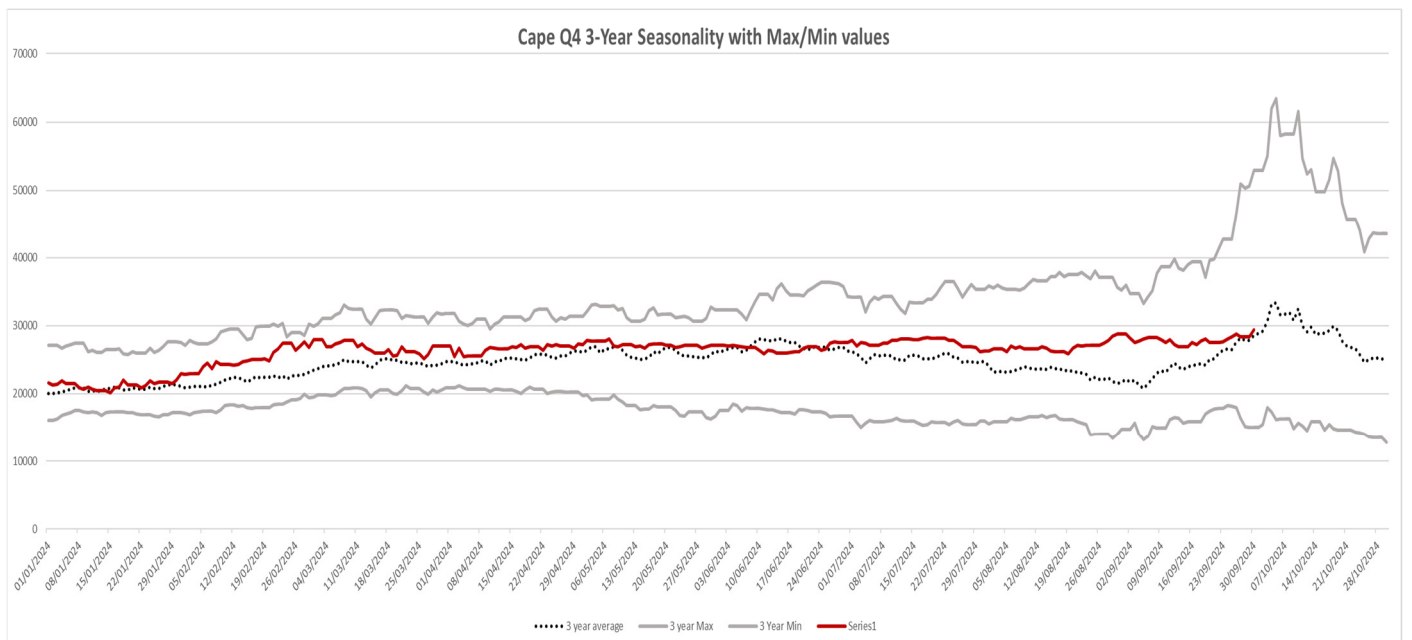


	Support	Resistance	Current Price	Bull	Bear
S1	28,493	R1	29,825	RSI above 50	Stochastic overbought
S2	28,175	R2	30,635		
S3	27,743	R3	31,325		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA
- RSI is below 50 (61)
- Stochastic is overbought
- Technically we were bullish last week having closed above the last dominant bear candle and broken key resistance. However, the upside move had failed to hold, resulting in a bearish rejection candle that had been followed by a bear candle, implying we had sell side pressure at higher levels. Price action was neutral, for upside continuation we needed to see a close above the high of the bearish rejection candle (USD 28,375); likewise, for downside continuation we need to close below the low of the last dominant bull candle (USD 27,000).
- The futures closed above the USD 28,375 level, resulting in price trading to new highs. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 27,743 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the new high means that the futures are in divergence with the RSI, we also have a negative divergence on the 1-hour technical. The MA on the RSI is indicating that we have light momentum support; however, due to the divergence in play, we now have a note of caution on upside moves at these levels.



Capesize Cal 25

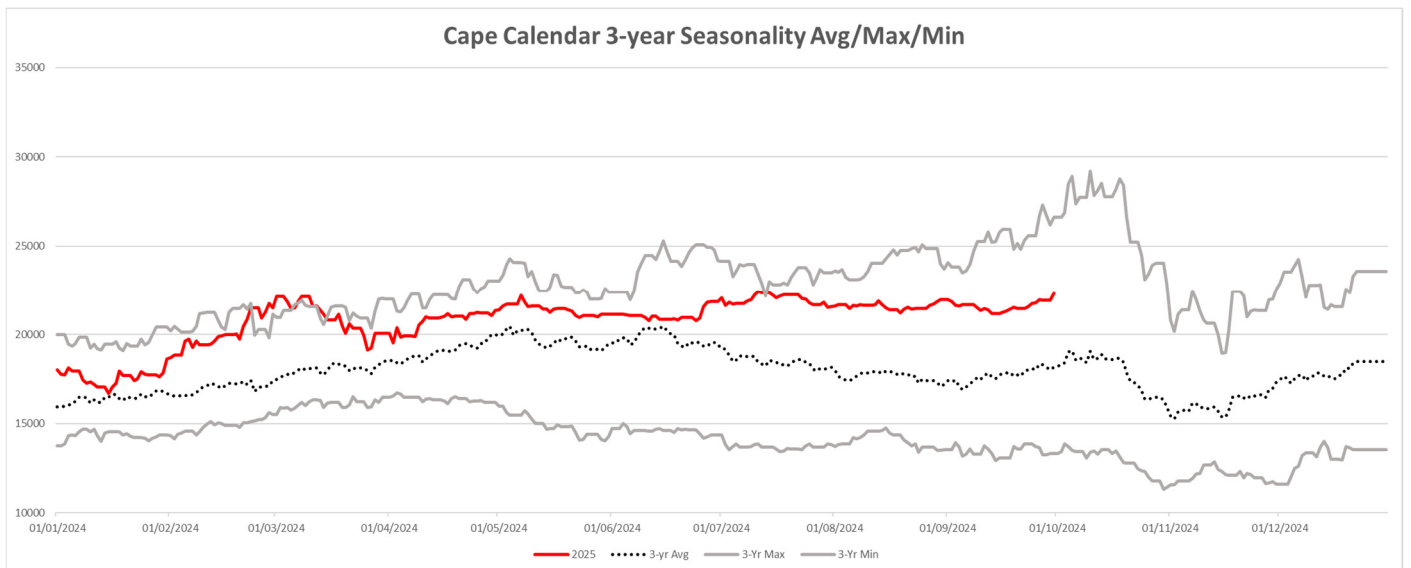


	Support	Resistance	Current Price	Bull	Bear
S1	21,696	R1	22,750	RSI above 50	Stochastic overbought
S2	20,500	R2	23,826		
S3	19,844	R3	25,288		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (63)
- Stochastic is overbought
- Technically bullish last week, the futures remained in a corrective phase with price holding in a bear channel. The MA on the RSI was flat, as were the 8-21 period EMA's, implying momentum and price were neutral. Although we were moving higher, we had channel resistance at USD 21,764, suggesting caution on upside moves around this level. A rejection of the upper channel would leave lower channel support (USD 20,863) vulnerable in the near-term. Likewise, a close above that held above the channel resistance would warn of upside continuation. Due to the upper resistance line, we had a note of caution on upside moves.
- The futures closed above and held above the channel resistance, resulting in price trading higher. 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 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. In theory, we need to trade above the USD 25,550 fractal high; however, the RSI is testing resistance, meaning we are vulnerable to a short-term pullback. Downside moves that hold above channel support (USD 21,696) will leave resistance levels vulnerable.



Capesize C5 Nov (Rolling Front Month Heikin Ashi Chart)



	Support	Resistance	Current Price	Bull	Bear
S1	10.59	R1	11.43	RSI above 50	Stochastic overbought
S2	10.34	R2	12.10		
S3	10.00	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 (56)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum remained weak. The futures were now approaching the USD 11.30 high, a move above this level would create a negative divergence with the RSI. Not a sell signal, it warned that we had the potential to see a momentum slowdown, implying caution on upside breakouts. We noted that in theory, we should test the fractal resistance; however, due to the divergence ahead, the futures were not considered a technical buy on an upside breakout.
- The futures traded to a new high, meaning price is now in divergence with the RSI. The futures have rolled into November, meaning price should in theory have moved lower (this chart is close only data, so the print is currently not showing). We are between the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above 10.00 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are now in divergence with the RSI, meaning we are cautious on upside moves at these levels, as they could struggle to hold.