



# Capesize Technical Report

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

## Index

Technically bullish having traded above fractal resistance last week, the index has seen a move lower today. If we close below the MBP level (USD 23,790), it will warn that sell side pressure is increasing, as price will be back below the 200-period MA. This is a benchmark average, if it fails to hold, then the Fibonacci support zone will come under pressure. Likewise, corrective moves lower that hold above the average will warn that there is an underlying support in the market. We have a note of caution on upside moves in the near-term, as the RSI looks like it could be rejecting a small resistance zone.

## Dec 24

If you read our Morning TA reports last week you will have seen that we had a note of caution on upside moves. The futures are now selling lower on an intraday divergence with the RSI with price testing the 200-period MA, meaning we are at an inflection point. However, we are cautious on moves higher, whilst the divergence suggests that the 200-period MA will be tested and broken. Key support is at USD 20,870, corrective moves lower that hold at or above this level will warn that there could be a larger, bullish, Elliott wave cycle in play.

## Q1 25

The futures traded above the USD 15,962 resistance level last week; however, the upside move has rejected the resistance zone, resulting in price selling lower. In theory, the probability of the futures trading to a new low has started to decrease; however, the upside rejection of the resistance zone and failure to hold above the 55-period EMA (USD 15,473) is warning that the USD 14,264 support is vulnerable. If broken, we target the USD 13,075 fractal low. Our Elliott wave analysis suggested that upside moves looked to be countertrend, the move has been higher than expected, but the technical is warning support levels are vulnerable. This is suggesting caution on upside moves, despite key resistance being broken.

## Cal 25

We were cautious on upside moves last week as near-term price action was overextended, resulting in the futures selling lower. The Elliott wave is back in bullish territory; however, near-term price action is bearish with a neutral bias. The upside rejection of the resistance zone, the upper channel resistance and the 200-period MA (USD 21,187) are warning support levels are vulnerable. In the very near-term, we have just seen a USD 600 move lower with the RSI testing its MA support, meaning we could see market sellers pulling back, as they look for better value; however, the technical (price action) is warning that upside moves could struggle to hold.

## C5 Dec 24

The futures traded above key resistance last week, meaning the technical is bearish but with a neutral bias. The downside move today (18/11) means that the futures are below the weekly pivot level (USD 10,62). This is the balance point from last week's price action, indicating sell side momentum is increasing, warning support levels are vulnerable in the near-term. If we trade below the USD 9.387 support, the technical will be back in bearish territory.

# Capesize Index

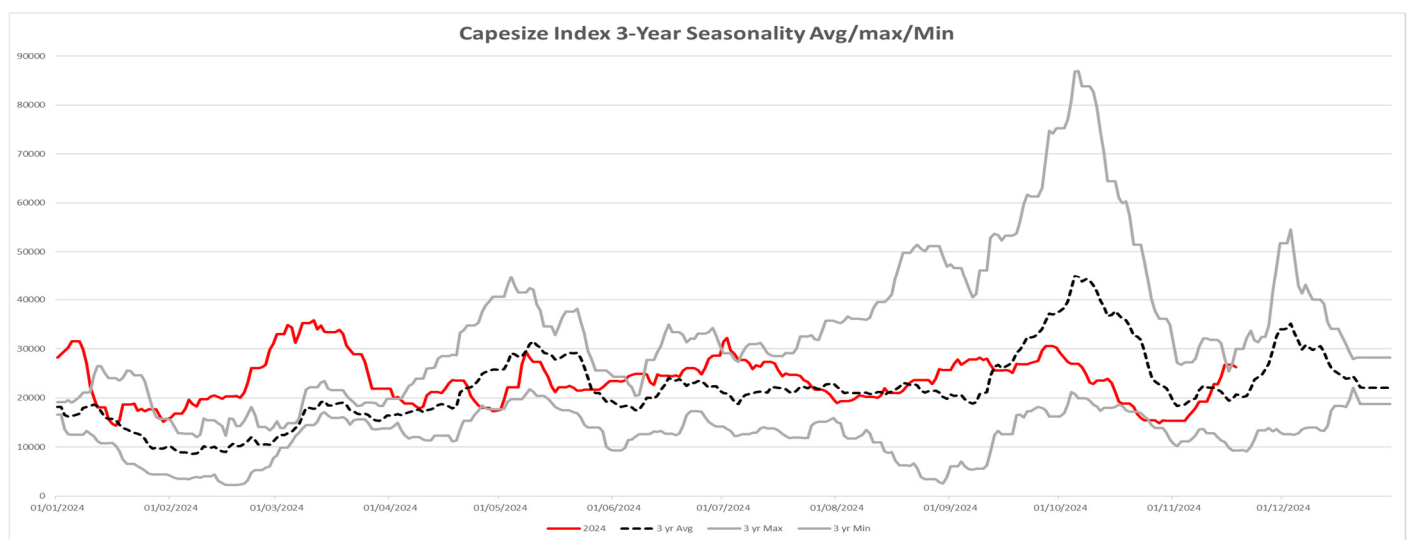


	Support	Resistance	Current Price	Bull	Bear
S1	22,205	R1	28,232	RSI above 50	Stochastic overbought
S2	20,794	R2	30,598		
S3	18,879	R3	32,248		

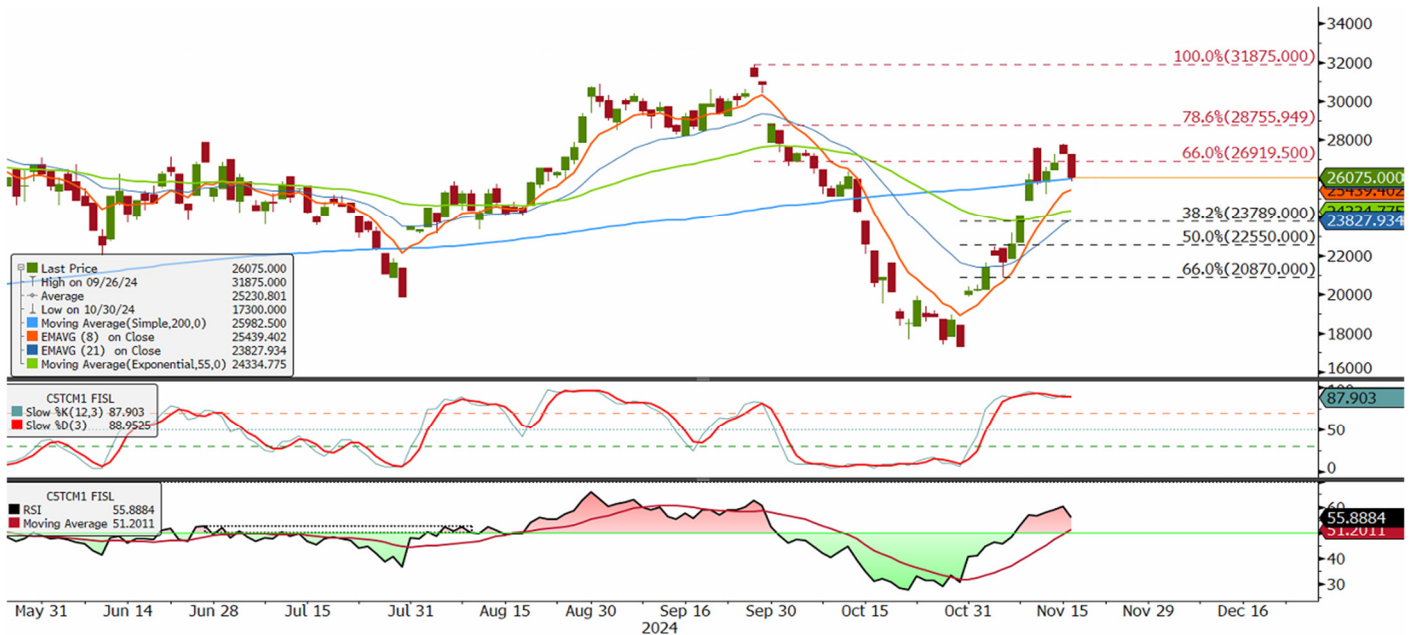
### Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 24,808)
- secondary trend line at USD 21,162. If we close above and hold above the trend lines, it will warn that we could test the 200-period MA at USD 23,677. Based on the move on the 11/11, it looked like the technical would have a neutral bias on the 12/11.
- The index continued to move higher with price holding above the primary trend line, resulting in the secondary trend and 200-period MA (USD 23,885) being broken, the technical is now bullish.
- Momentum based on price (MBP) is aligned to the buy side, a close below USD 23,790 will mean it is aligned to the sell side. Downside moves that hold at or above USD 18,879 will support a near-term bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is indicating that momentum is supported, whilst price is now above all key moving averages. However, we are seeing the index turn lower, warning we could be about to enter a corrective phase. A close below the MPB level will put price below the 200-period MA; this is a benchmark average, if it fails to hold, then the Fibonacci support zone will come under pressure. Likewise, corrective moves lower that hold above the average will warn that there is an underlying support in the market. We have a note of caution on upside moves in the near-term, as the RSI looks like it could be rejecting a small resistance zone.



# Capesize Dec 24 (1 Month forward)

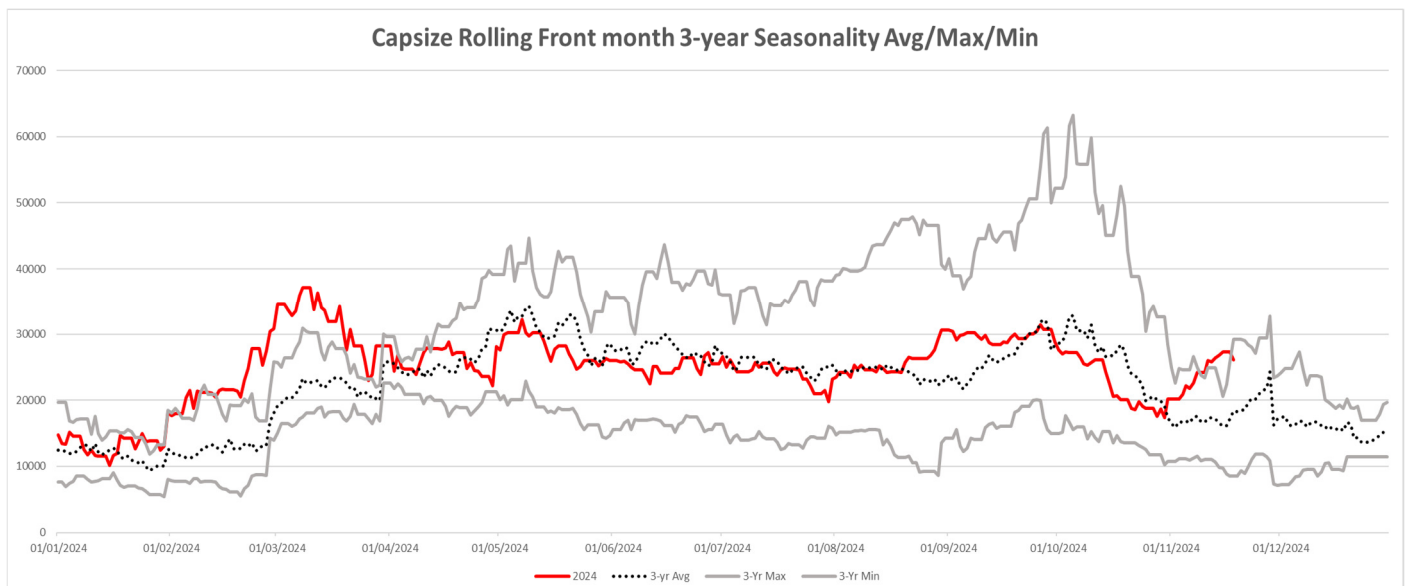


	Support	Resistance	Current Price	Bull	Bear
S1	25,982	R1	26,919	RSI above 50	Stochastic overbought
S2	23,789	R2	28,755		
S3	22,550	R3	31,875		

## Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Technically we remained in bearish territory last week; however, near-term price action was bullish and moving higher whilst the MA on the RSI indicated that momentum was supported. The futures were at an inflection point, as we were trading on the 200-period MA (USD 25,755). A close above that held above the average would warn that resistance levels could be tested and broken; likewise, a rejection of the average would warn that market sellers were prepared to defend the longer-term bearish trend. Key resistance to follow is at USD 26,919.
- We have traded above the USD 26,919 resistance, meaning the probability of the futures trading to a new high has started to decrease. However, the upside move is struggling to hold with price back testing the 200-period MA (USD 25,982). We are above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above 20,870 will support a near-term bull argument, below this level the technical will be back in bearish territory.
- Technically bullish but with a neutral bias, the futures are moving lower on an intraday divergence with the RSI. We are testing the 200-period MA, meaning price is technically back at an inflection point. However, we are cautious on moves higher, whilst the divergence suggests that the 200-period MA will be tested and broken. Key support is at USD 20,870, corrective moves lower that hold at or above this level will warn that there could be a larger, bullish, Elliott wave cycle in play.

Source Bloomberg



# Capesize Q1 25

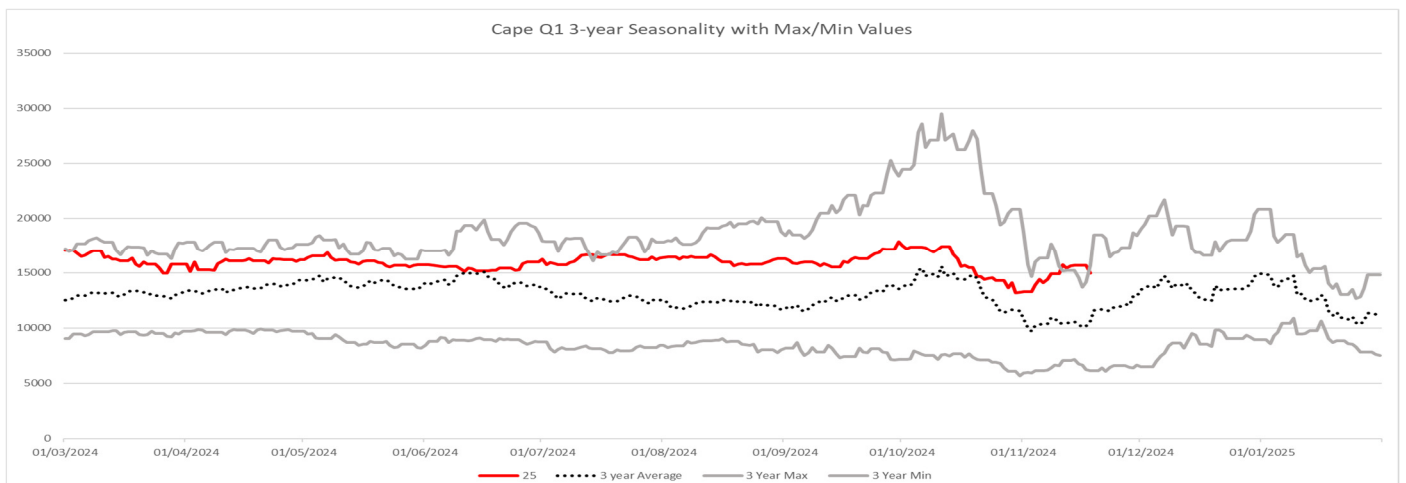


	Support	Resistance	Current Price	Bull	Bear
S1	14,812	R1	15,962		
S2	14,264	R2	16,513		RSI below 50
S3	13,832	R3	17,450		

## Synopsis

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is above 50
- Technically we remain bearish last week with price is still below the USD 15,962 resistance, if broken, then the probability of the futures trading to a new low would start to decrease. The MA on the RSI indicated that we had light momentum support; however, we were trading in a resistance zone highlighted. Upside moves above USD 15,962 had the potential to trade as high as 16,400 by the end of the week (based off volatility bands), suggesting any move higher during the remainder of the week was likely to be at a slower pace. If we rejected the USD 15,962 level, then the USD 14,043 support could be tested and broken. We are cautious on upside moves whilst below USD 15,962 with price in a resistance zone.
- The futures had an upward spike to a high of USD 15,525; however, this move happened early in the week and put price above our weekly volatility resistance, resulting in price selling aggressively lower. We are between the 8-21 period EMA's with the RSI below 50.
- Downside moves that hold at or above USD 14,264 will support a near-term bull argument, below this level the technical will be back in bearish territory.
- Technically bearish, the probability of the futures trading to a new low has started to decrease, whilst the MA on the RSI is implying that we have light momentum support. The upside rejection of the resistance zone and failure to hold above the 55-period EMA (USD 15,473) is warning that the USD 14,264 support is vulnerable. If broken, we target the USD 13,075 fractal low. Our Elliott wave analysis suggested that upside moves looked to be countertrend; However, the move has been higher than expected, but the technical is warning support levels are vulnerable, suggesting caution on upside moves, despite key resistance being broken.



# Capesize Cal 25

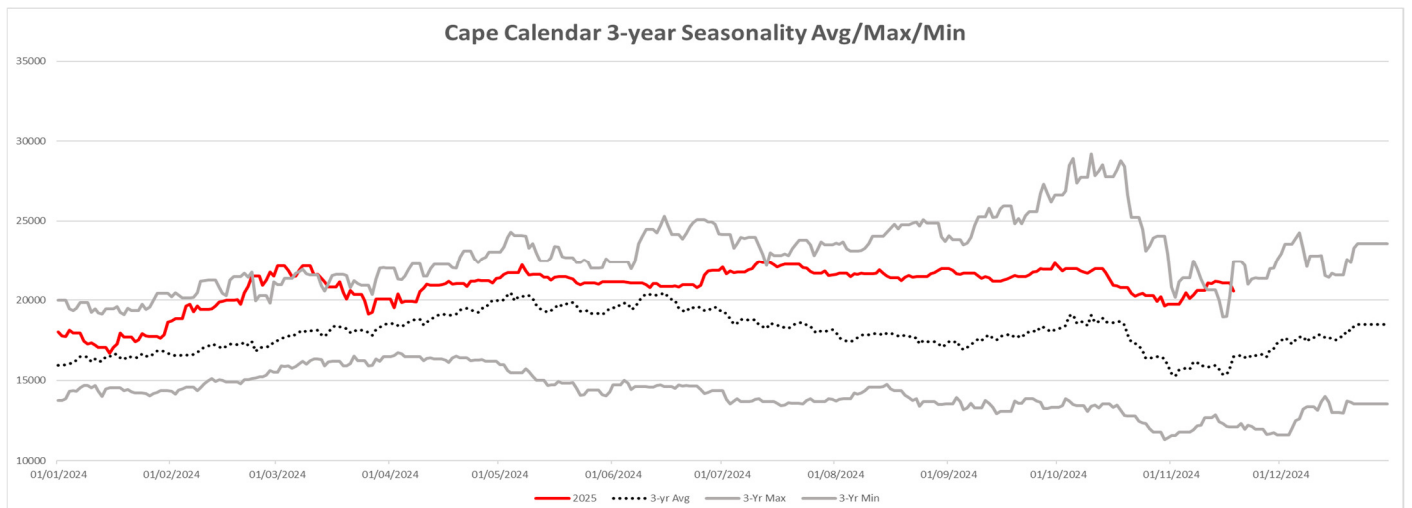


	Support	Resistance	Current Price	Bull	Bear
S1	19,844	R1	21,267		
S2	19,327	R2	21,575		RSI below 50
S3	18,450	R3	22,100		

Source Bloomberg

## Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is overbought
- Technically bullish last week, the move above USD 21,267 meant that the probability of the futures trading to a new low had started to decrease. However, the intraday move on the 11/11 had rejected the upper channel resistance (USD 21,289) with price currently below the 200-period MA (USD 16,366). A close above that held above the average would warn that resistance levels could come under pressure; likewise, a rejection of the average would leave the futures vulnerable to another move lower. Although the technical was back in bullish territory, we did have a note of caution on moves higher whilst below the longer-term average and upper resistance band, as the strength of the upside move in the last few sessions had warned that we were a little overextended to the upside.
- The upside move in the futures failed to hold, resulting in price selling lower. We are below all key moving averages supported by 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. Note: this support is back in play due to the futures trading above the USD 21,267 resistance.
- The Elliott wave is back in bullish territory; however, near-term price action is bearish with a neutral bias. The upside rejection of the resistance zone, the upper channel resistance and the 200-period MA (USD 21,187) are warning support levels are vulnerable. In the very near-term, we have just seen a USD 600 move lower with the RSI testing its MA support, meaning we could see market sellers pulling back, as they look for better value; however, the technical (price action) is warning that upside moves could struggle to hold.



# Capesize C5 Dec (Rolling Front Month Heiken Ashi Chart)



	Support	Resistance	Close Price	Bull	Bear
S1	9.65	R1	10.47	RSI above 50	Stochastic overbought
S2	9.72	R2	10.62		
S3	9.38	R3	10.81		

## Synopsis

- 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's
- RSI is above 50 (59)
- Stochastic is overbought
- Current price USD 10.40
- The technical was still in bearish territory last week; however, price was nearing the USD 10.47 resistance, having moved higher on the positive divergence. If broken, then the probability of the futures trading to a new low would start to decrease. The MA on the RSI indicated that momentum warning supported, warning resistance levels were still vulnerable, meaning we needed to see a close below the weekly pivot level (USD 9.78) for momentum based on price to be seen to be weakening.
- The futures traded to a high of USD 10.76; however, the current mid-value is at USD 10.40, meaning we have started to sell lower. Price is above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 9.38 will support a near-term bull argument, below this level the technical will be in bearish territory.
- Technically bearish with a neutral bias, the downside move today (18/11) means that the futures are below the weekly pivot level (USD 10,62). This is the balance point from last weeks price action, indicating sell side momentum is increasing, warning support levels are vulnerable in the near-term. If we trade below the USD 9.387 support, the technical will be back in bearish territory.