



Capesize Technical Report

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Index

Bullish last week, the index had turned lower; we noted that if we closed below the 200-period MA then the Fibonacci support could come under pressure. We are now in a corrective phase as the 200-period MA failed to hold, whilst price is testing the primary trend support at USD 21,256. A close below that holds below the trend line will warn that the USD 18,879 support could be broken. If it is, then the probability of the index trading to a new high will start to decrease. The technical is at an inflection point, the RSI is neutral at 50, price is on trend support, whilst momentum is potentially transitioning. We have a neutral view, if we can hold above trend support, then we have the potential to test the 200-period MA.

Dec 24

Technically bearish with a neutral bias, we were cautious on moves higher as an intraday divergence warned that the daily 200-period MA could be tested and broken. Having sold lower the futures are testing but holding above the USD 20,870 support; however, we remain cautious on moves higher, as lower timeframe Elliott wave analysis is suggesting that upside moves look like they could be countertrend.

Q1 25

Technically bearish last week, we noted that we were cautious on moves higher despite the break in key resistance, as the upside moves had failed to hold above the 200-period MA (and the resistance zone), warning the USD 14,264 support could be tested and broken. Having sold lower the MA on the RSI is flat, implying buy-side momentum has turned neutral. The downside move below USD 14,264 is warning that the USD 13,075 fractal low is vulnerable. We do have a divergence on the 1-hour RSI, warning sell side momentum could slow in the near-term; however, lower timeframe Elliott wave analysis suggests caution on upside moves. A cautious bear, we potentially need to see a move higher before selling lower.

Cal 25

Price action was bearish with a neutral bias last week, whilst the Elliott wave cycle had re-entered bullish territory. Despite this, we were cautious on upside moves, as the futures had rejected a resistance zone, whilst failing to hold above channel resistance and the 200-period MA. Having sold lower the futures are back in bearish territory but in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown. However, lower timeframe Elliott wave analysis suggests that upside moves look like they could be countertrend, making USD 20,903 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low will start to decrease. Like the Q1, we are a cautious bear, as we potentially need to see a move higher before selling lower.

C5 Dec 24

Bearish with a neutral bias last week the futures were trading below the weekly pivot level, warning we could sell lower. We have sold lower but remain above the USD 9.38 support, meaning the technical remains bearish with a neutral bias. The intraday futures are finding light bid support (last traded USD 9.90), if we close above the weekly pivot level, it will warn that buy-side pressure is increasing, meaning resistance levels could be tested. However, we have a note of caution on moves higher, as when we look at faster moving oscillators, they are selling lower from overbought territory, which historically has resulted in upside moves failing to hold.

Capesize Index

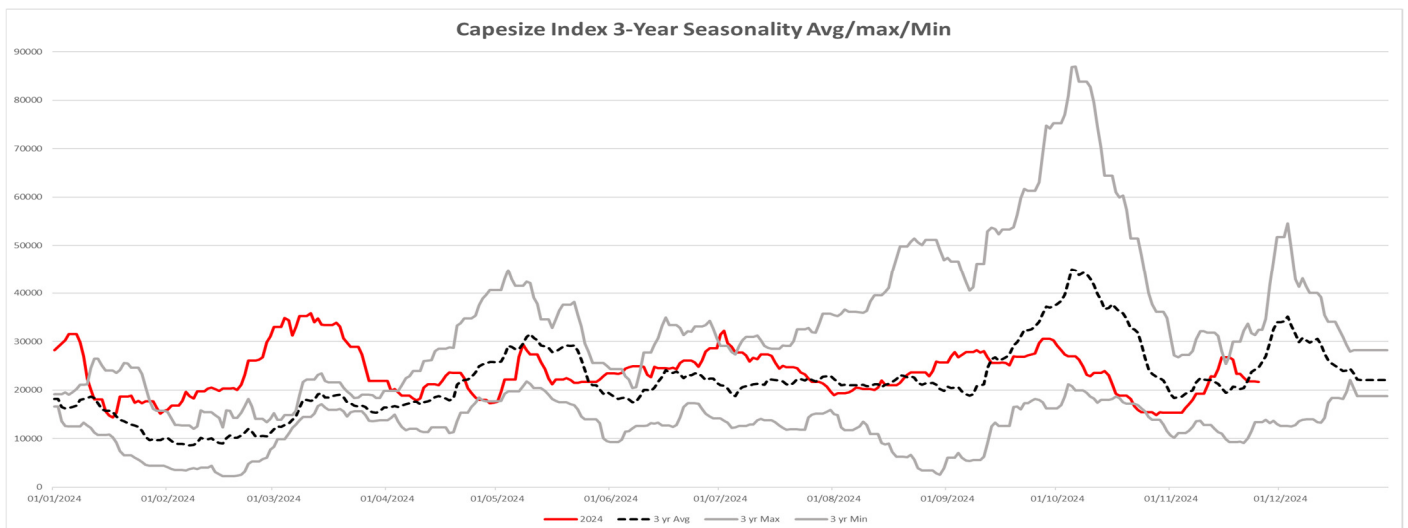


	Support	Resistance	Current Price	Bull	Bear
S1	20,794	R1	23,965		
S2	18,879	R2	26,777		
S3	17,371	R3	29,365		

Synopsis

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- Price is below the weekly pivot point (USD 23,258)
- Technically bullish last week, the MA on the RSI indicated that momentum was supported, whilst price was above all key moving averages. However, we were seeing the index turn lower, warning we could be about to enter a corrective phase. A close below the MPB level would put price below the 200-period MA; we noted that this was a benchmark average, if it failed to hold, then the Fibonacci support zone would come under pressure. Likewise, corrective moves lower that held above the average would warn that there is an underlying support in the market. We had a note of caution on upside moves in the near-term, as the RSI looked like it could be rejecting a small resistance zone.
- The RSI rejected its resistance zone, resulting in the index closing below and holding below the 200-period MA (USD 23,965). We are between the 8-21 period EMA's with the RSI neutral at 50.
- Momentum based on price (MBP) is aligned to the sell side, a move above USD 22,990 will mean it is aligned to the buy 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 index is now in a corrective phase, the MA on the RSI is implying that momentum is supported. However, the RSI is below its average, warning momentum is potentially transitioning to the sell side. We are testing primary trend support (USD 21,256), a close below that holds below the trend line will warn that the USD 18,879 support could be broken. If it is, then the probability of the index trading to a new high will start to decrease. The technical is at an inflection point, the RSI is neutral at 50, price is on trend support, whilst momentum is potentially transitioning. We have a neutral view, if we can hold above trend support, then we have the potential to test the 200-period MA.



Capesize Dec 24 (1 Month forward)

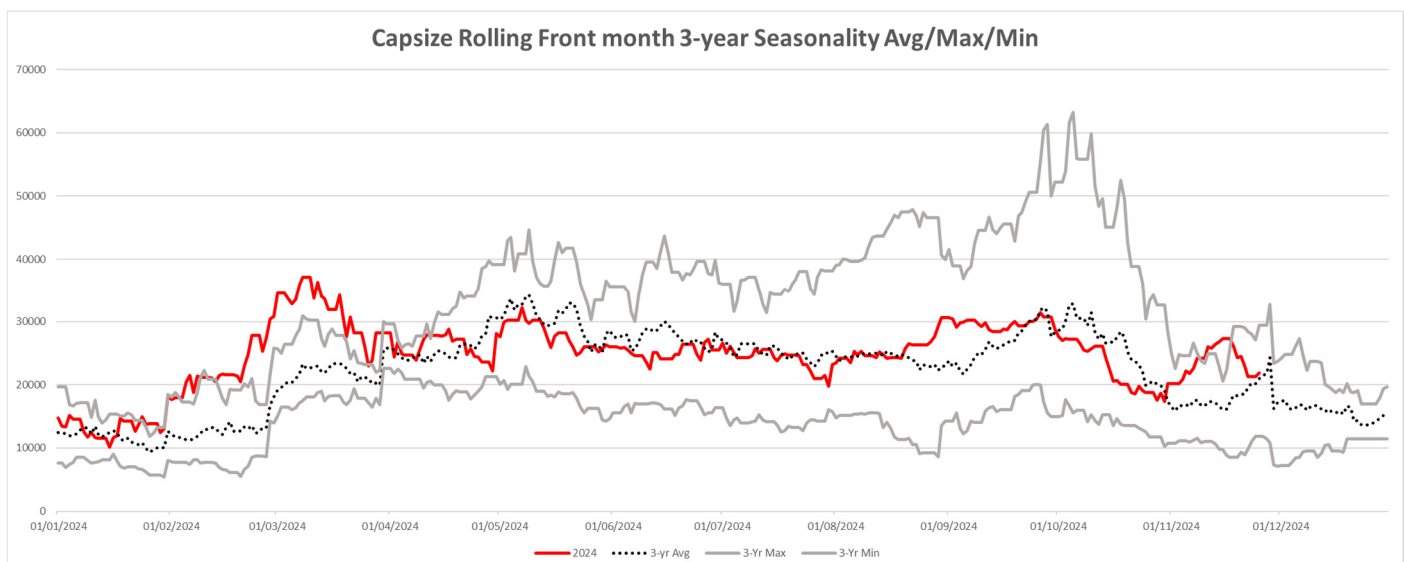


	Support	Resistance	Current Price	Bull	Bear
S1	20,870	R1	26,919	Stochastic oversold	RSI below 50
S2	19,547	R2	28,755		
S3	17,300	R3	31,875		

Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is oversold
- Technically bearish with a neutral bias last week, the futures were moving lower on an intraday divergence with the RSI. We were testing the 200-period MA, meaning price was back at an inflection point. However, we are cautious on moves higher, whilst the divergence suggested that the 200-period MA would be tested and broken. Key support was at USD 20,870, corrective moves lower that held at or above this level will warn that there could be a larger, bullish, Elliott wave cycle in play.
- The futures moved lower on the divergence, resulting in price closing below the 200-period MA (USD 26,035). We have tested but remain above the USD 20,870 support; we are below all key moving averages supported by the RSI below 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 bearish but with a neutral bias, the futures have moved lower on an intraday divergence with the RSI. We are below the 200-period MA (USD 26,035) with price testing but holding above the USD 20,870 support. However, we remain cautious on moves higher, as lower timeframe Elliott wave analysis is suggesting that upside moves look like they could be countertrend. 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; if broken, the futures will be back in bearish territory. We are holding above key support but remain cautious on moves higher.

Source Bloomberg



Capesize Q1 25

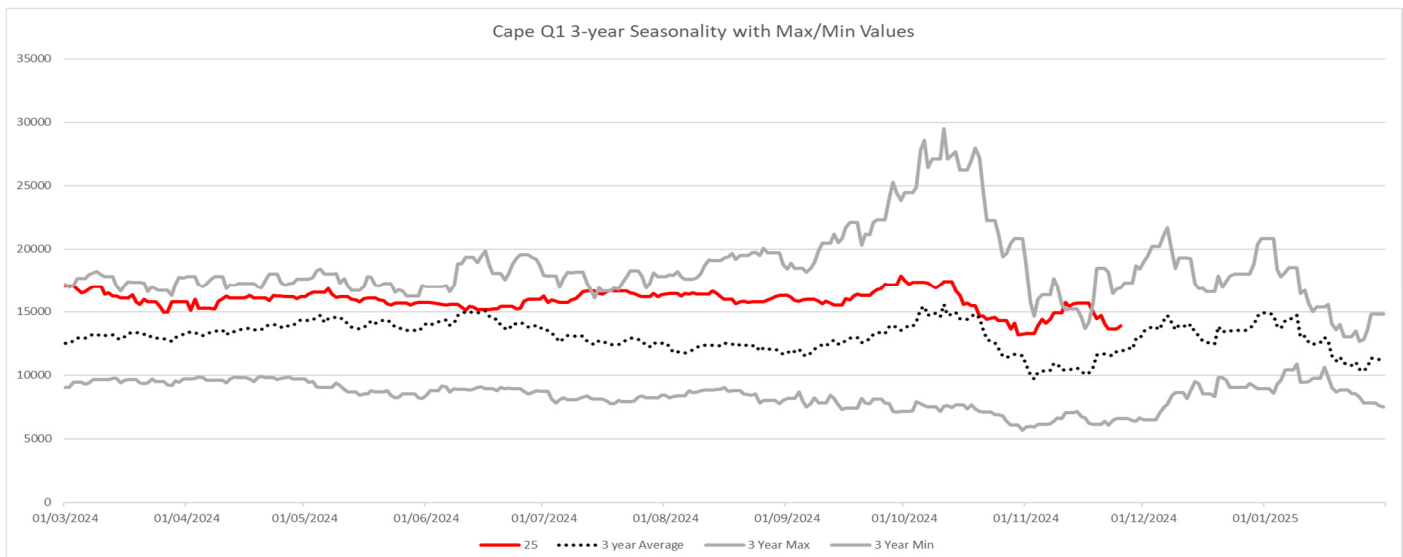


	Support	Resistance	Current Price	Bull	Bear
S1	13,450	R1	14,746	Stochastic oversold	RSI below 50
S2	13,100	R2	15,262		
S3	12,614	R3	15,962		

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Technically bearish last week, the probability of the futures trading to a new low had started to decrease, whilst the MA on the RSI implied that we had light momentum support. The upside rejection of the resistance zone and failure to hold above the 55-period EMA (USD 15,473) warned that the USD 14,264 support was vulnerable. If broken, we would target the USD 13,075 fractal low. Our Elliott wave analysis suggested that upside moves looked to be countertrend; However, the move had been higher than expected, but the technical warned support levels were vulnerable, suggesting caution on upside moves, despite key resistance being broken.
- The futures continued to sell lower with price breaking the USD 14,264 support. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 15,962 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Note: this resistance is back in play due to the move below the USD 14,264 support.
- Technically bearish, the MA on the RSI is flat, implying momentum is neutral. The downside move below USD 14,264 is warning that the USD 13,075 fractal low is vulnerable. We do have a divergence on the 1-hour RSI, warning sell side momentum could slow in the near-term; however, lower timeframe Elliott wave analysis suggests caution on upside moves. A cautious bear, we potentially need to see a move higher before selling lower.



Capesize Cal 25

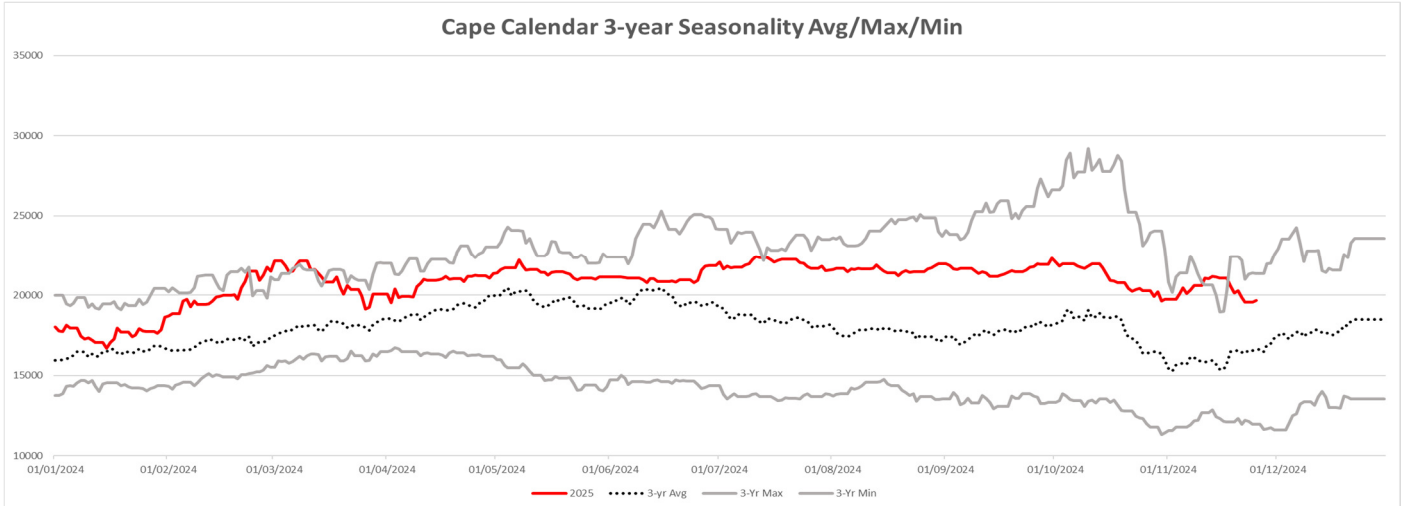


	Support	Resistance	Current Price	Bull	Bear
S1	19,327	R1	19,650	Stochastic oversold	RSI below 50
S2	18,775	R2			
S3	18,450	R3			

Source Bloomberg

Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (38)
- Stochastic is oversold
- The Elliott wave was back in bullish territory last week; however, near-term price action was bearish with a neutral bias. The upside rejection of the resistance zone, the upper channel resistance and the 200-period MA (USD 21,187) warned that support levels were vulnerable. We noted that we had seen a USD 600 move lower with the RSI testing its MA support, meaning we could see market sellers pulling back, as they looked for better value; however, the technical (price action) warned that upside moves could struggle to hold.
- There has been so significant pullback in the futures with price continuing to sell lower. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 20,903 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish based on price (the Elliott wave cycle is bullish with a neutral bias), the MA on the RSI is implying that we have light momentum weakness. The new low means that the futures are now in divergence with the RSI; not a buy signal, it is a warning that we could see a momentum slowdown. However, lower timeframe Elliott wave analysis suggests that upside moves look like they could be countertrend, making USD 20,903 the key resistance to follow. A move above this level will warn that the probability of the futures trading to a new low will start to decrease. Like the Q1, we are a cautious bear, as we potentially need to see a move higher before selling lower.



Capesize C5 Dec (Rolling Front Month Heikin Ashi Chart)



	Support	Resistance	Close Price	Bull	Bear
S1	9.38	R1	9.95		RSI below 50
S2	9.12	R2	10.47	9.73	
S3	8.68	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 below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is above 50
- Current price USD 9.90
- Technically bearish with a neutral bias last week, the downside move on the 18/11 meant that the futures were below the weekly pivot level (USD 10,62). We noted that this was the balance point from the previous weeks price action, indicating sell side momentum was increasing, warning support levels were vulnerable in the near-term. If we trade below the USD 9.387 support, the technical would be back in bearish territory.
- Having closed below the USD 10.62 level the futures continued to sell lower; however, we remain above the USD 9.38 support. We are below all key moving averages supported by the RSI below 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 MA on the RSI is flat, implying buyside momentum is turning neutral. The intraday futures are finding light bid support (last traded USD 9.90), if we close above the weekly pivot level, it will warn that buyside pressure is increasing, meaning resistance levels could be tested. However, we have a note of caution on moves higher, as when we look at faster moving oscillators, they are selling lower from overbought territory, which historically has resulted in upside moves failing to hold.

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