



Capesize Technical Report

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Index

Bullish with a neutral bias last week, we noted that the move below USD 18,879 warned that the USD 14,811 low could be tested and broken. The index has sold to new lows, meaning we are in bearish territory, price is now in divergence with the RSI. Not a buy signal, it is a warning that we could see a momentum slowdown which needs to be monitored. A close above MBP (USD 13,600) will imply that we are starting to see support, whilst a close above the weekly pivot level (USD 13,926) will warn that resistance levels could come under pressure. Bearish, but with a note of caution due to the divergence.

Jan 25

Bearish with upside moves considered as countertrend last week, the futures traded to a high of USD 12,750 before selling lower again in line with our Elliott wave cycle, warning that the USD 10,425 fractal low will be tested and broken. In theory, textbook Elliott wave suggest we could trade as low as USD 2,043. In reality, below USD 10,425, the futures will be in divergence with the RSI, implying caution on downside breakouts below this level.

Q1 25

Bearish with upside moves considered as countertrend last week, the futures traded to a high of USD 12,500 before selling lower again in line with our Elliott wave cycle. The futures are moving lower in line with our Elliott wave analysis, suggesting the USD 10,700 fractal support will be testing and broken. We now have a potential downside target at USD 8,900 for this phase of the cycle; however, below USD 10,700 the futures will be in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown and will need to be monitored.

Cal 25

Like the rest of the Capesize complex last week, we were bearish with upside moves considered as countertrend. We traded to a high of USD 18,400 before selling lower again. Lower timeframe Elliott wave analysis is suggesting that the USD 17,675 fractal low will be tested and broken, it also suggests that we have the potential to trade as low as USD 15,989 within this phase of the cycle. However, below USD 17,675 the intraday futures will be in divergence with the RSI, meaning we have a note of caution on downside breakouts below this level.

C5 Jan 25

The futures continued to sell lower last week, we did have one day where we closed higher; however, without intraday data it is hard to see if there was any real form of pullback. The RSI is in divergence whilst faster moving oscillators are oversold, implying caution on moves lower at these levels.

Capesize Index

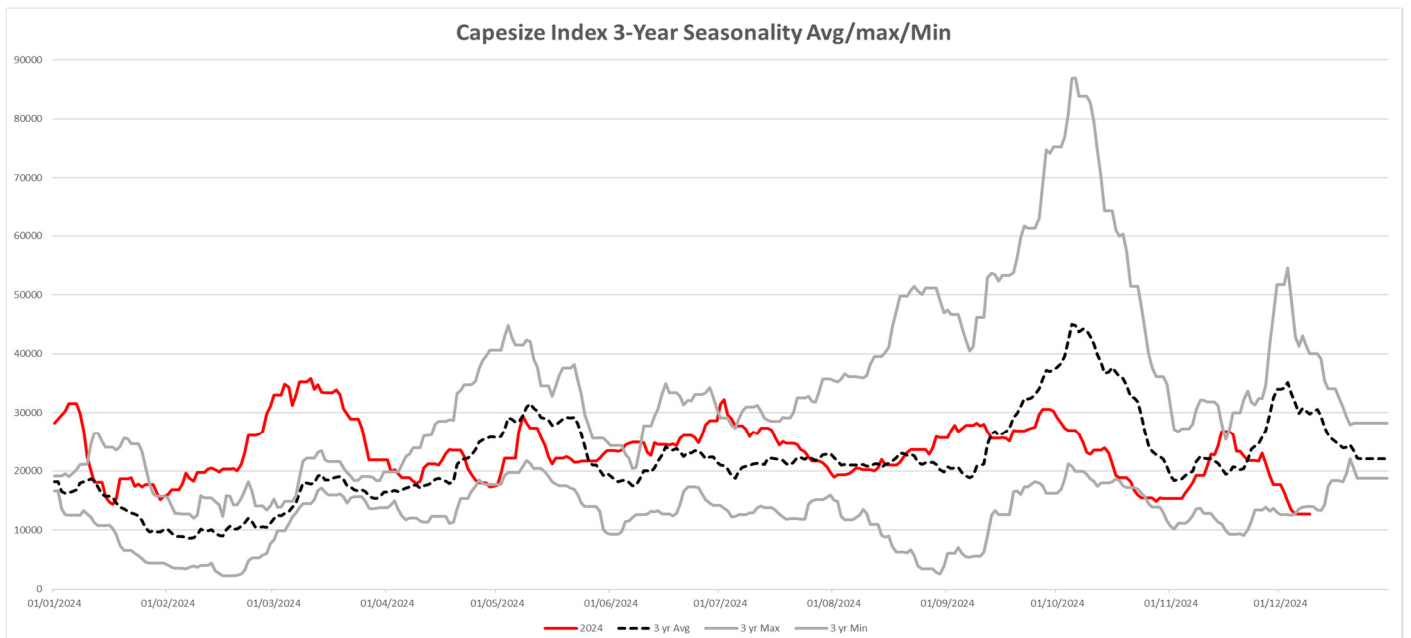


	Support	Resistance	Current Price	Bull	Bear
S1	10,990	R1	18,071	RSI below 50	Stochastic oversold
S2	6,727	R2	19,733		
S3	3,096	R3	21,987		

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 13,926)
- Technically bullish with a neutral bias last week, the MA on the RSI implied that momentum was weak, warning upside moves could struggle to hold. The move below the USD 18,879 support, warned that the USD 14,811 fractal low could be tested and broken.
- The index trade below the USD 14,811 fractal low, meaning it is now in bearish territory. We are below all key moving averages with the RSI below 50.
- Momentum based on price (MBP) is aligned to the sell side, a move above USD 13,600 will mean it is aligned to the buyside. Upside moves that fail at or below USD 21,987 will leave the index vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Technically bearish, the MA on the RSI is implying momentum is weak; however, the new low means that price is in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown which will need to be monitored. A close above MBP will imply that we are starting to see support, whilst a close above the weekly pivot level (USD 13,926) will warn that resistance levels could come under pressure. Bearish, but with a note of caution due to the divergence.



Capesize Jan 25 (1 Month forward)

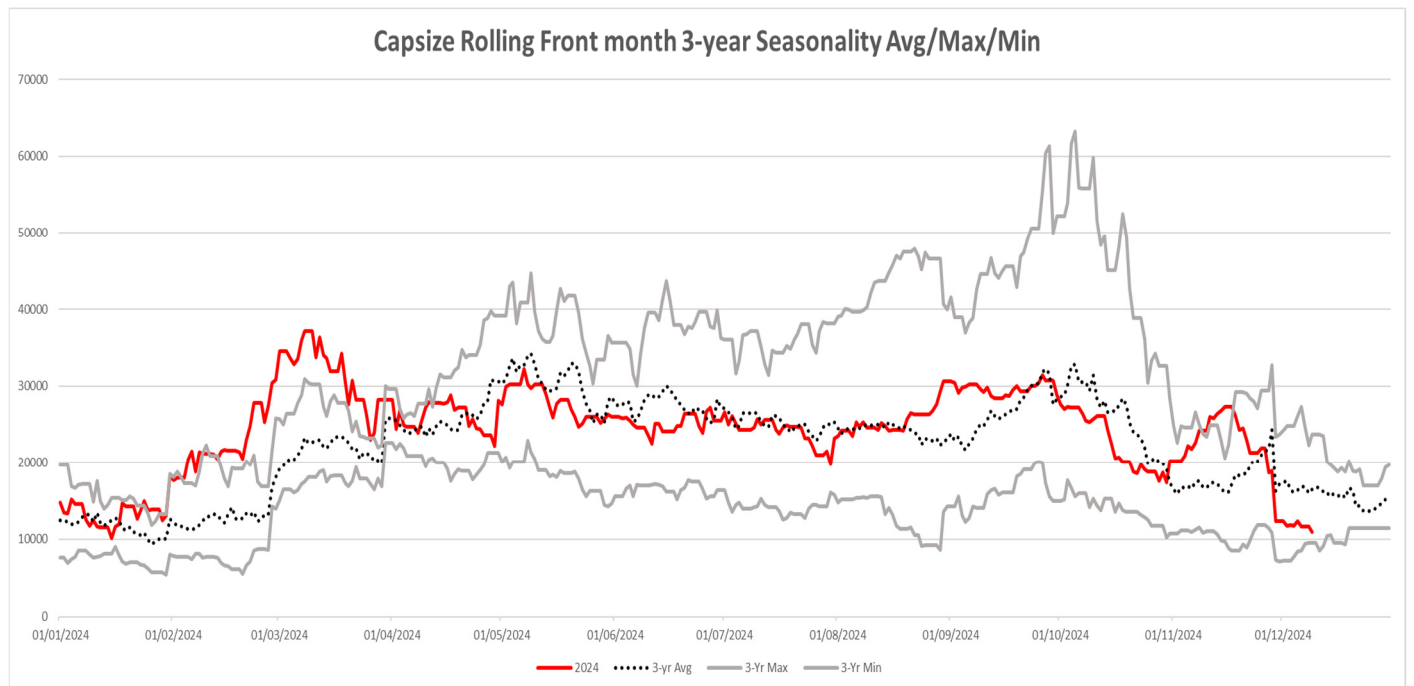


	Support	Resistance	Current Price	Bull	Bear
S1	10,425	R1	17,062	10,875	Stochastic oversold
S2	6,131	R2	19,112		
S3	4,087	R3	21,892		
					RSI below 50

Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (30)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI indicated that momentum remained weak. The gap lower on the roll had exaggerated the downside move; however, having traded to a low of USD 17,700 before we rolled, the lower timeframe Elliott wave cycle had already extended to the downside. This meant that upside moves should still be considered as countertrend.
- The futures traded to a low of USD 10,425 before trading to a high of USD 12,750. We are now selling lower again with price below its averages whilst the RSI remains below 50.
- Upside moves that fail at or below USD 21,892 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, our Elliott wave analysis continues to suggest that upside moves are countertrend, warning that the USD 10,425 fractal low will be tested and broken. In theory, textbook Elliott wave suggest we could trade as low as USD 2,043. In reality, below USD 10,425, the futures will be in divergence with the RSI, implying caution on downside breakouts below this level.

Source Bloomberg



Capesize Q1 25

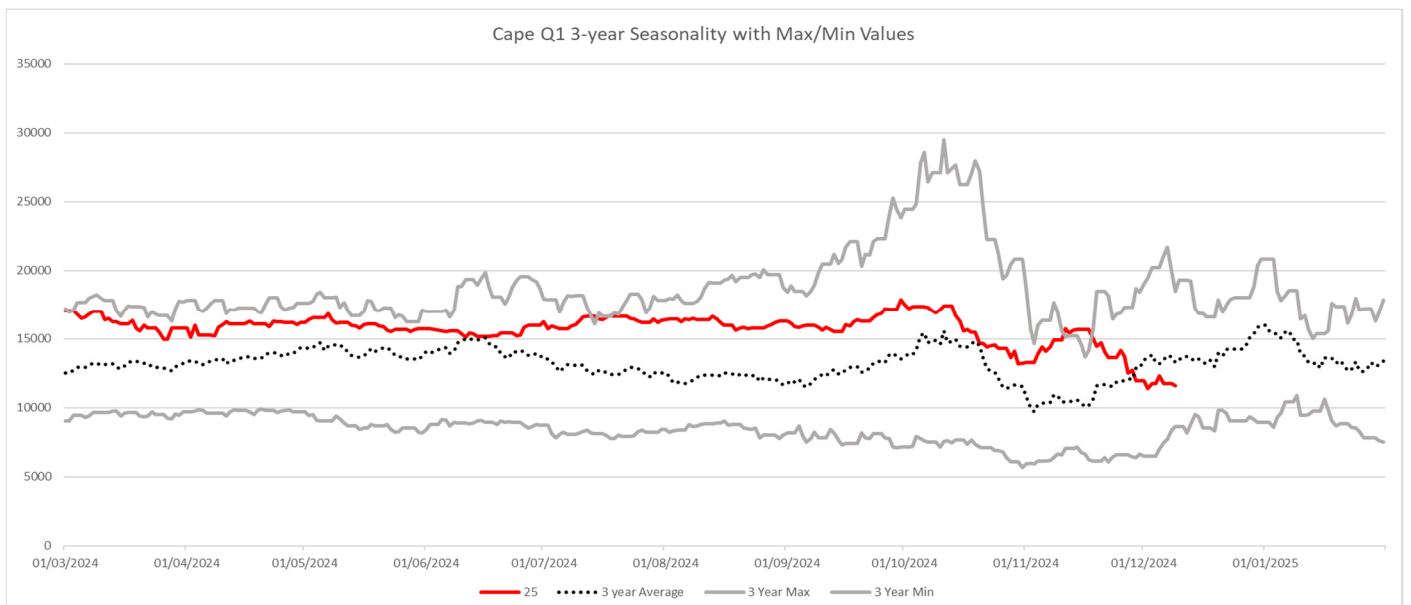


	Support	Resistance	Current Price	Bull	Bear
S1	10,274	R1	12,500	Stochastic oversold	RSI below 50
S2	9,587	R2	13,278		
S3	8,900	R3	14,075		

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (34)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI implied that momentum remained weak. The new low meant that we were in divergence with the RSI, not a buy signal, it warned that we could see a momentum slowdown. However, the lower timeframe Elliott wave cycle had seen a downside extension, meaning upside moves were still considered as countertrend. We had a note of caution on downside moves at these levels.
- The futures traded to a low of USD 10,700; however, the moved failed to hold, resulting in price entering a countertrend move higher. Having traded to a high of USD 12,500, we are once again selling lower. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 15,155 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is implying that momentum remains weak. The futures are moving lower with our Elliott wave analysis suggesting the USD 10,700 fractal support will be testing and broken. We now have a potential downside target at USD 8,900 for this phase of the cycle; however, below USD 10,700 the futures will be in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown and will need to be monitored.



Capesize Cal 25

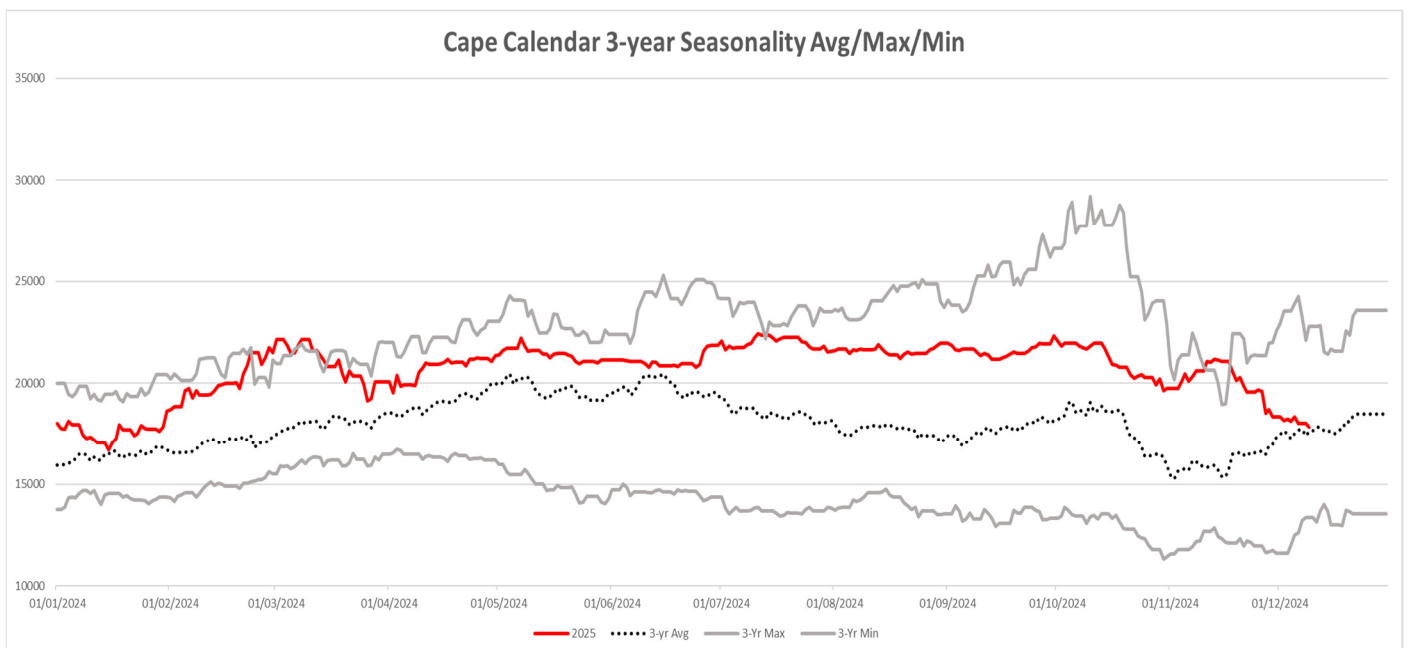


Support	Resistance	Current Price	Bull	Bear
S1	R1	17,800	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI implied that momentum was weak. Like the rest of the Capsize complex, we had seen a lower timeframe Elliott wave extension to the downside, indicating upside moves should be countertrend. We were in divergence with the RSI, meaning we had a note of caution on moves lower at those levels.
- We traded to a low of USD 17,675 before trading back up to USD 18,400 on the divergence; however, price is now selling lower again, in line with the Elliott wave cycle. We are below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 20,249 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is implying that momentum remains weak. Lower timeframe Elliott wave analysis is suggesting that the USD 17,675 fractal low will be tested and broken, it also suggests that we have the potential to trade as low as USD 15,989 within this phase of the cycle. However, below USD 17,675 the intraday futures will be in divergence with the RSI, meaning we have a note of caution on downside breakouts below this level.



Capesize C5 Jan 25 (Rolling Front Month Heikin Ashi Chart)



Support	Resistance	Close Price	Bull	Bear
S1	R1	7.23	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

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 (29)
- Stochastic is oversold
- Current price USD 7.15
- Technically bearish, the MA on the RSI is implying that momentum is weak; however faster moving oscillators were oversold, suggesting caution on moves lower at those levels. We maintained our view that upside moves look like they could struggle to hold, as price has seen no significant pullback since the previous week.
- The futures continue to see small moves lower with price remaining below all key moving averages whilst the RSI is below 50.
- Upside moves that fail at or below USD 9.67 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is indicating that momentum remains weak; however, we are in divergence, not a buy signal, it is a warning that we could see a momentum slowdown. Faster moving oscillators are also in oversold territory, suggesting caution on moves lower at these levels. A cautious bear. Upside moves have previously been considered as counter-trend; however, we have had a higher close, but do not have intraday price action. Having seen the 5TC averages reject upside moves, we suspect that the one close higher has been the pullback.

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