



# Capesize Technical Report

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## Index

Bearish last week with a note of caution on downside moves due to the divergence in play. The index has seen a very small move lower, but we remain 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 the weekly pivot level (USD 6,947) will imply that buyside pressure is increasing, warning resistance levels could come under pressure. Due to the divergence, we continue to maintain a note of caution on moves lower at these levels.

## March 25

Bullish due to the roll last week with downside moves considered as countertrend, we had a note of caution on moves higher as price was two standard deviations above the linear regression line. Having traded to a high of USD 14,175, the move failed to hold with price back at last weeks levels. We remain bullish with Elliott wave analysis suggesting downside moves should be considered as countertrend, making USD 9,819 the key support to follow. We have confirmed that we are in a corrective Elliott wave 4 on the intraday chart, but the pullback at this point remains shallow. If we do trade above USD 14,175, the futures will be divergent with the RSI, warning upside breakouts could struggle to hold at this point.

## Q2 25

Bearish with a neutral bias last week, the probability of the futures trading to a new low had started to decrease. We were testing the 55-period EMA (USD 17,391), a close above the held above the average would warn that the USD 17,700 fractal resistance could be tested and broken; if it was, then the technical would be bullish. We have moved higher with price breaking fractal resistance, meaning the technical is bullish. Intraday Elliott wave analysis suggests that downside moves should be considered as countertrend, making USD 16,856 the key support to follow. A move below this level will warn that the probability of the futures trading to a new high has started to decrease. Fibonacci projections suggest that upside moves above USD 18,325 have the potential to trade as high as USD 19,104 within this phase of the cycle. However, a new high will create a positive divergence with the RSI, warning we could see a momentum slowdown, this will need to be monitored.

## Cal 26

Bearish with a neutral bias last week, the probability of the futures trading to a new low had started to decrease, the futures remained supported with the technical now in bullish territory. Intraday Elliott wave analysis suggests downside moves should be considered as countertrend, making USD 17,692 the key support to follow. Below this level, the probability of the futures trading to a new high will start to decrease. Note: the intraday RSI is in divergence, meaning we could see a momentum slowdown, this will need to be monitored. If we close below the low of the last dominant bull candle (USD 18,375), it will warn that buyside pressure is slowing, meaning we could be about to enter into a corrective phase.

## C5 March 25

Bullish last week, we had a note of caution on moves higher as the RSI was approaching resistance. Having traded to a high of USD 8.08 we have since seen a small pullback due to the RSI rejecting resistance. As noted last week, due to the RSI breaking near-term resistance, we maintain our view that downside moves should be considered as countertrend, making USD 6.93 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease.

# Capesize Index

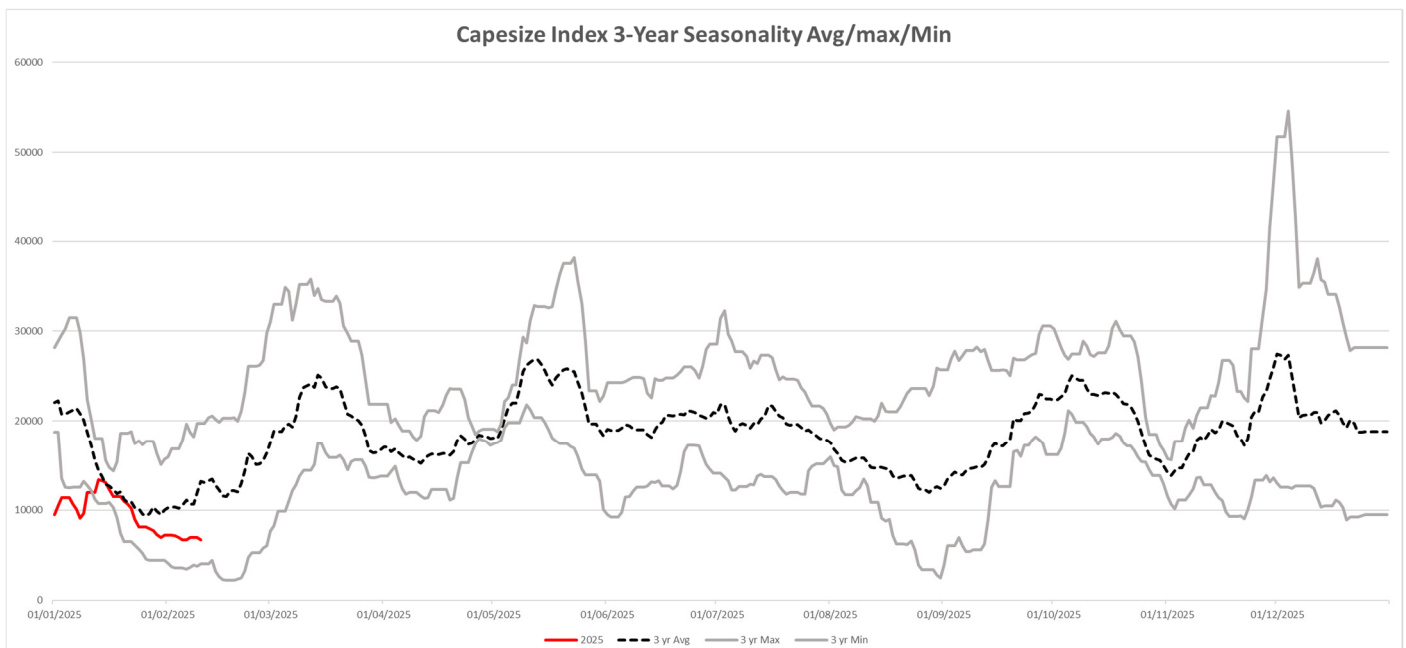


Support	Resistance	Current Price	Bull	Bear
S1	R1	6,716	Stochastic oversold	RSI below 50
6,579	6,947			
S2	R2			
4,475	9,427			
S3	R3			
2,370	11,210			

## 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 6,947)
- Technically bearish last week, we remained in divergence with price now slowing down, meaning we remained cautious on moves lower at these levels. A close above the weekly pivot level (USD 7,391) would imply that buy-side pressure is increasing, warning resistance levels could come under pressure.
- The index has seen another small move lower, we remain below all key moving averages supported by the RSI below 50.
- Momentum based on price (MBP) is aligned to the sell side, a move above USD 6,857 will mean it is aligned to the buy-side. Upside moves that fail at or below USD 11,210 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical this week, we remain bearish but 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 the weekly pivot level (USD 6,947) will imply that buy-side pressure is increasing, warning resistance levels could come under pressure. Due to the divergence, we continue to maintain a note of caution on moves lower at these levels.



# Capesize March 25 (1 Month forward)

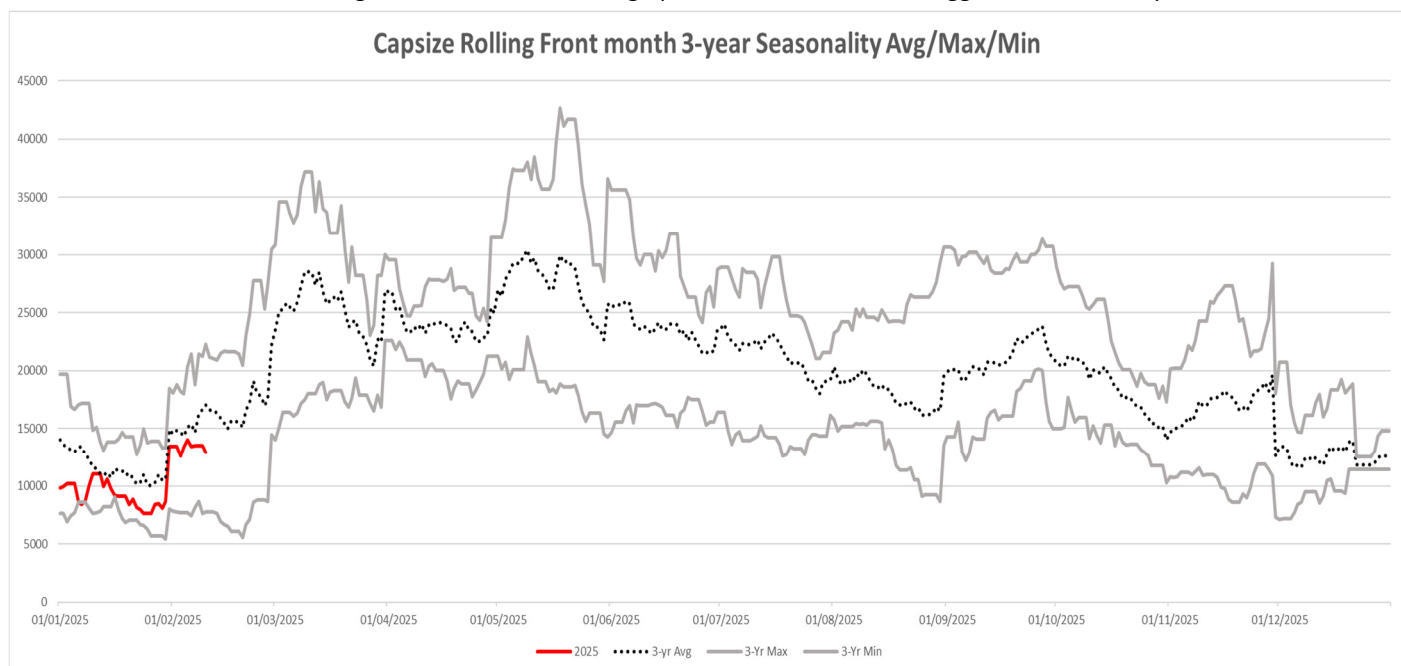


	Support	Resistance	Current Price	Bull	Bear
S1	11,653	R1	12,875	RSI above 50	Stochastic overbought
S2	9,819	R2			
S3	7,575	R3			

## Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (53)
- Stochastic is overbought
- Technically bullish last week, the upside move on the roll into march signaled that the lower timeframe Elliott wave cycle had completed, implying downside moves should be considered as countertrend. However, we were trading two standard deviations above the linear regression line, suggesting caution on moves higher in the very near-term.
- The futures traded to a high of USD 14,175; however, the move failed to hold due to the linear regression resistance, resulting in price selling back to last weeks levels. We are above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above the USD 9,819 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 20,898 will warn that there could be a larger, bearish wave cycle in play.
- Technically bullish, the MA on the RSI implies that momentum is supported, whilst intraday Elliott wave analysis is suggesting downside moves should be countertrend, making USD 9,819 the key support to follow. Below this level, the probability of the futures trading to a new high will start to decrease. We have confirmed that we are in a corrective Elliott wave 4 on the intraday chart, but the pullback at this point remains shallow. If we do trade above USD 14,175, the futures will be divergent with the RSI, warning upside breakouts could struggle to hold at this point.

Source Bloomberg



# Capesize Q2 25

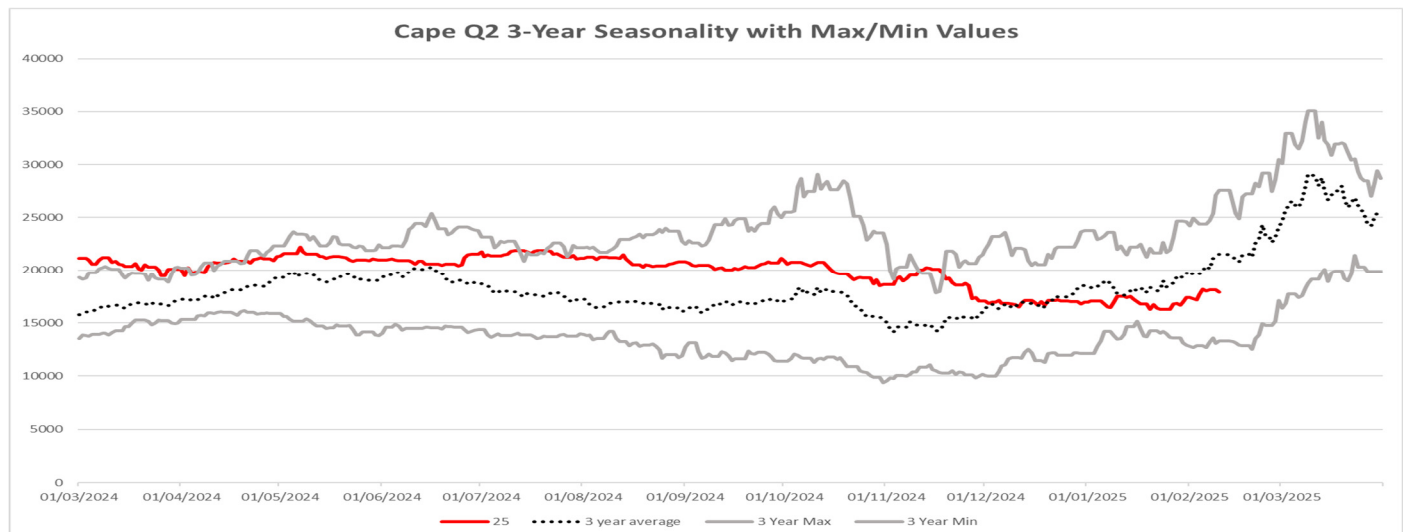


	Support	Resistance	Current Price	Bull	Bear
S1	17,475	R1	18,475		
S2	17,212	R2	18,838		
S3	16,856	R3	19,104		

## Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- Technically bearish with a neutral bias last week, the probability of the futures trading to a new low had started to decrease. Due to the futures moving higher on the back of the positive divergence with the RSI, we maintained a note of caution on moves lower at this point. We were testing the 55-period EMA (USD 17,391), a close above the held above the average would warn that the USD 17,700 fractal resistance could be tested and broken; if it was, then the technical would be bullish. The futures were at an inflection point, meaning we had a note of caution on moves higher whilst below the 55-period EMA.
- The futures closed above and held above the 55-period EMA (USD 17,479), resulting in price trading to a high of USD 18,325 before pulling back to a low of USD 17,625, the technical is now bullish. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 16,856 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is supported. Intraday Elliott wave analysis suggests that downside moves should be considered as countertrend, making USD 16,856 the key support to follow. A move below this level will warn that the probability of the futures trading to a new high has started to decrease. Fibonacci projections suggest that upside moves above USD 18,325 have the potential to trade as high as USD 19,104 within this phase of the cycle. However, a new high will create a positive divergence with the RSI, warning we could see a momentum slowdown, this will need to be monitored.



# Capesize Cal 26

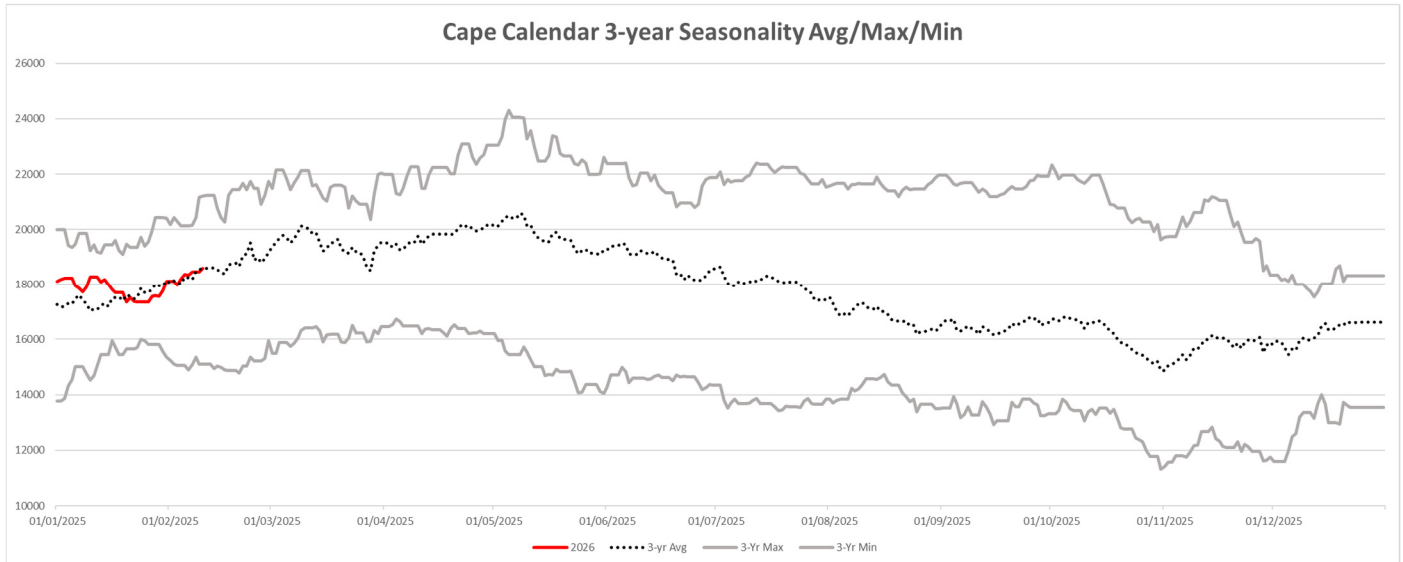


	Support	Resistance	Current Price	Bull	Bear
S1	18,074	R1	18,905	RSI above 50	Stochastic overbought
S2	17,912	R2	19,425		
S3	17,692	R3	20,129		

Source Bloomberg

### Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Technically bearish with a neutral bias last week, the probability of the futures trading to a new low had started to decrease, above USD 18,425 the technical would be bullish. Due to the futures moving higher on the positive divergence, we maintained a note of caution on moves lower. However, a close below the low of the last dominant bull candle (USD 17,850) would warn that support levels could come under pressure in the near-term, making USD 17,522 the key support to follow. If broken, the futures would be back in bearish territory.
- The futures failed to close below USD 17,850 last week, resulting in a move to new highs, the technical is now bullish. We are above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 17,692 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, whilst intraday Elliott wave analysis suggests that downside moves should be considered as countertrend, making USD 17,692 the key support to follow. Below this level, the probability of the futures trading to a new high will start to decrease. Note: the intraday RSI is in divergence, meaning we could see a momentum slowdown, this will need to be monitored. If we close below the low of the last dominant bull candle (USD 18,375), it will warn that buy-side pressure is slowing, meaning we could be about to enter into a corrective phase.



# Capesize C5 March 25 (Rolling Front Month Heikin Ashi)



Support	Resistance	Close Price	Bull	Bear
S1	R1	7.80	RSI above 50	Stochastic overbought
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 above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is overbought
- Current price USD 7.95
- Technically bullish last week due to the roll into March. The RSI was approaching the base of a resistance zone that had been in play for the last 12 months, suggesting caution on upside moves in the very near term, as they could struggle to hold. However, the roll did mean that the RSI has broken its nearest resistance point, warning downside moves had the potential to be counter-trend.
- Having traded to a high of USD 8.08 we have since seen a small pullback due to the RSI rejecting resistance. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 6.93 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. As noted last week, due to the RSI breaking near-term resistance, we maintain our view that downside moves should be considered as countertrend, making USD 6.93 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease.

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