



Capesize Technical Report

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Index

The index continues to sell lower whilst in divergence with the RSI, meaning we maintain a note of caution on moves lower. As we are in a bearish trending environment, we will need to see a close above the weekly pivot level (USD 6,184) to signal that buy-side pressure is increasing.

Mar 25

Technically bullish but in a corrective phase last week, we noted that the pullback remained shallow. The futures traded to a low of USD 11,400 before finding light bid support; however, we remain in a corrective phase. Intraday Elliott wave analysis is suggesting that downside moves should be considered as 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. A close above that holds above the 55-period EMA (USD 12,590) will indicate that buy-side pressure is increasing, warning the USD 14,175 fractal high could be tested and broken.

Q2 25

Bullish with downside moves considered as countertrend last week, the futures traded to a low of USD 17,375 before finding bid support. We look to be on a bullish impulse Elliott wave 5 for this phase of the cycle; however, final confirmation will only come above USD 13,325. The MA on the RSI implies momentum is supported, whilst Fibonacci projection levels suggest we could trade as high as USD 18,765 within this phase of the cycle. We do have a note of caution on upside breakouts above USD 18,325, as it will create a negative divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown which will need to be monitored.

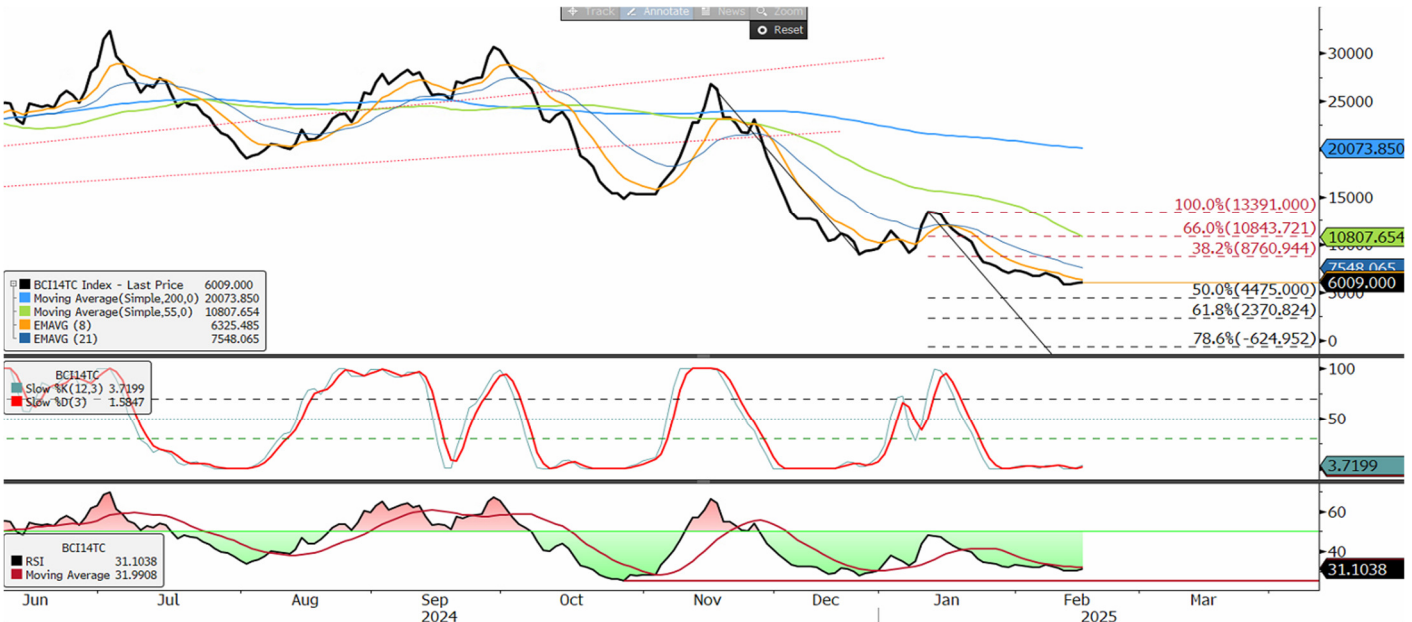
Cal 26

Bullish with downside moves considered as countertrend last week, we noted that the intraday RSI was in divergence, warning we could see a momentum slowdown. We failed to close below the low of the last dominant bear candle (USD 18,375), resulting in price trading to new highs, meaning downside moves are still considered as countertrend at this point. Near-term oscillators are overbought and in divergence (6-period RSI, not shown), warning we are starting to look overextended to the upside in the near-term, leaving the futures vulnerable to a corrective pullback.

C5 March 25

Technically bullish last we, we maintained our view that downside moves should be considered as countertrend. Technically we are unchanged with price trading above the weekly pivot level (USD 7.73). If we close above and hold above it, then it will imply that buy-side pressure is increasing, leaving resistance levels vulnerable.

Capesize Index

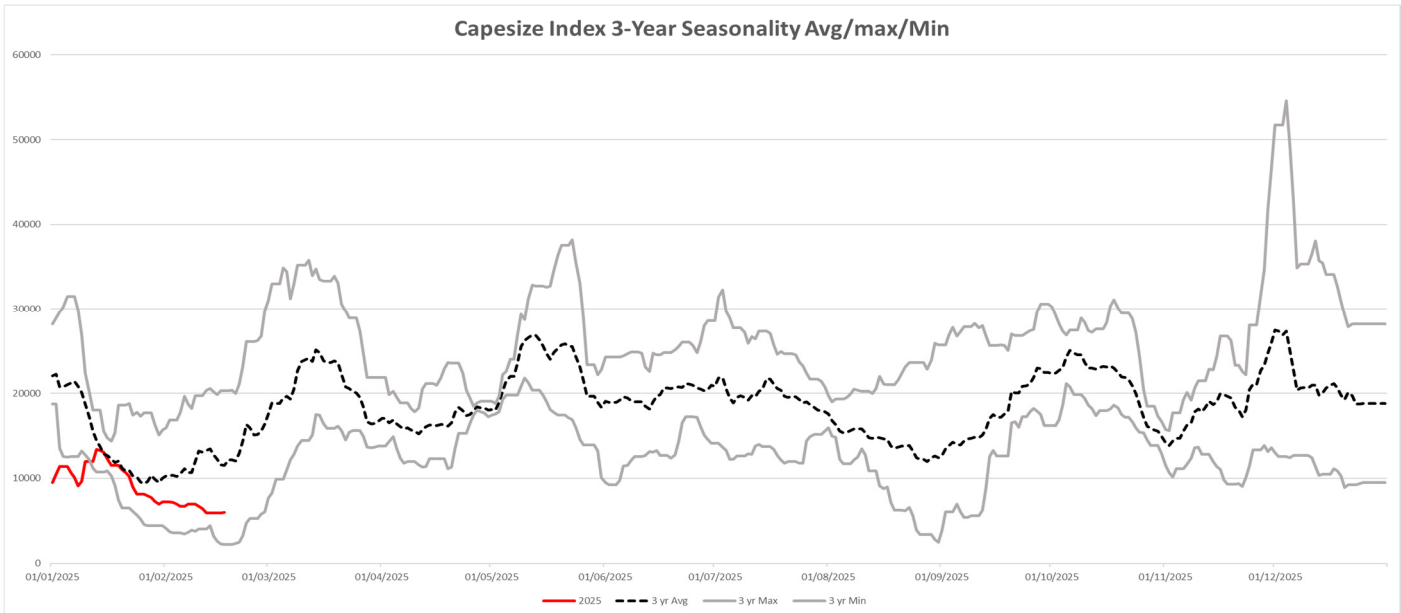


Support	Resistance	Current Price	Bull	Bear
S1	R1	6,009	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 6,184)
- Unchanged on the technical last week, we remained bearish but in divergence with the RSI. Not a buy signal, it warned that we could see a momentum slowdown, which needed to be monitored. We noted that a close above the weekly pivot level (USD 6,947) would imply that buyside pressure was increasing, warning resistance levels could come under pressure. Due to the divergence, we continued to maintain a note of caution on moves lower at those levels.
- The index failed to close above the weekly pivot level, resulting in price selling another USD 600 lower. We remain below all key moving averages supported by the RSI below 50.
- Momentum based on price is aligned to the sell side, a close above USD 6,050 will mean it is aligned to the buyside. Upside moves that fail at or below USD 10,843 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the RSI remains in divergence with the RSI; not a buy signal it warns that we could see a momentum slowdown, which needs to be monitored. As we are in a bearish trending environment, we will need to see a close above the weekly pivot level (USD 6,184) to signal that buyside pressure is increasing.



Capesize March 25 (1 Month forward)

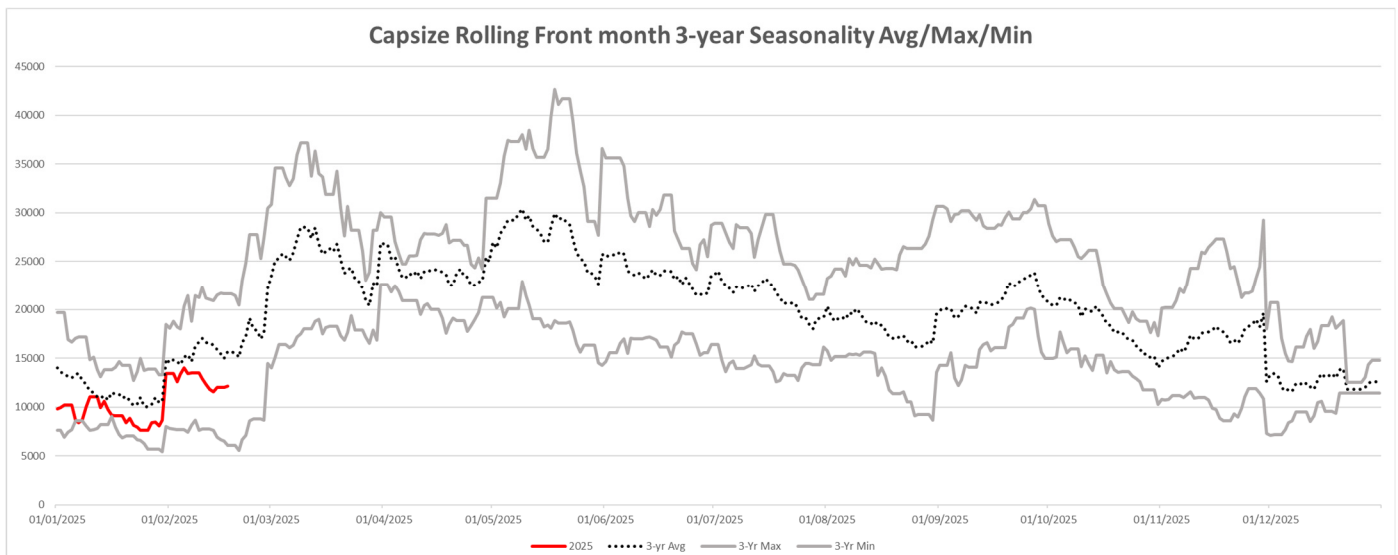


	Support	Resistance	Current Price	Bull	Bear
S1	11,653	R1	12,125	RSI above 50	
S2	9,819	R2			
S3	7,575	R3			

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Technically bullish last week, the MA on the RSI implied that momentum was supported, whilst intraday Elliott wave analysis suggested that downside moves should be considered as countertrend, making USD 9,819 the key support to follow. Below this level, the probability of the futures trading to a new high would start to decrease. We noted that we had confirmed that we were in a corrective Elliott wave 4 on the intraday chart, but the pullback at that point remained shallow. If we did trade above USD 14,175, the futures would be divergent with the RSI, warning upside breakouts could struggle to hold at that point.
- The futures traded to a low of USD 11,400 before finding light bid support. We are now between the 8-21 period EMA's with the RSI near-neutral at 51.
- 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.
- The futures remain bullish but in a corrective phase. The RSI is below its average; however, the MA on the RSI continues to suggest that momentum is supported, implying caution on moves lower. As noted last week, intraday Elliott wave analysis is suggesting that downside moves should be considered as 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. A close above that holds above the 55-period EMA (USD 12,590) will indicate that buyside pressure is increasing, warning the USD 14,175 fractal high could be tested and broken.

Source Bloomberg



Capesize Q2 25

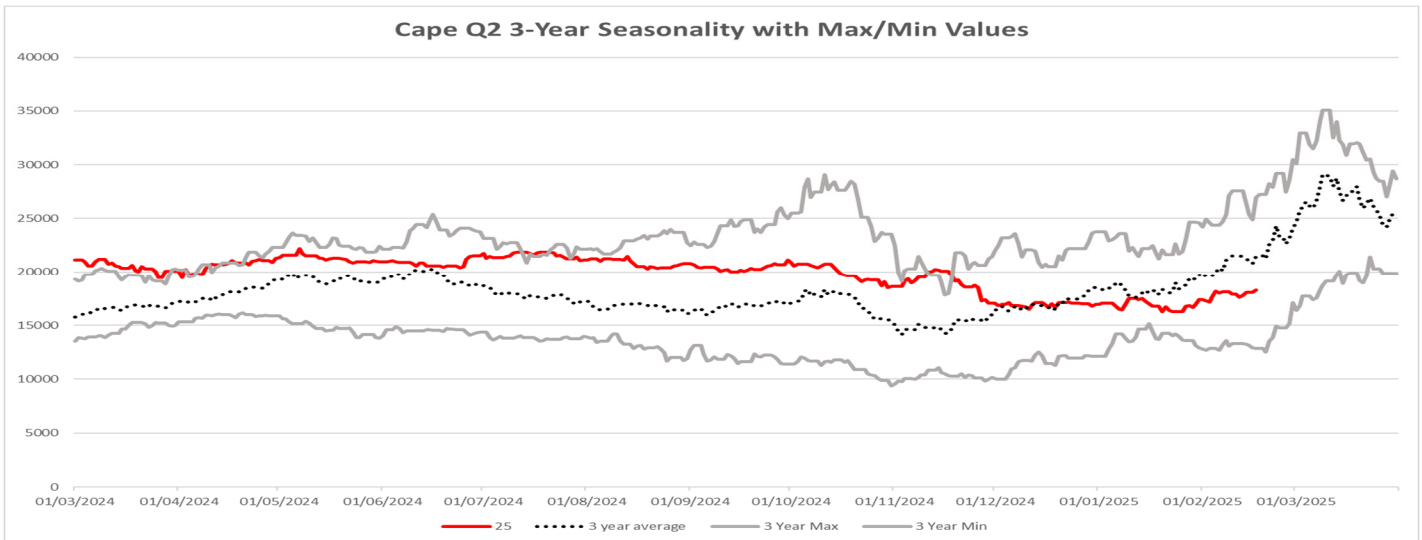


	Support	Resistance	Current Price	Bull	Bear
S1	17,475	R1	18,275	RSI above 50	Stochastic overbought
S2	17,212	R2			
S3	16,856	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum was 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 would warn that the probability of the futures trading to a new high had started to decrease. Fibonacci projections suggested that upside moves above USD 18,325 had the potential to trade as high as USD 19,104 within this phase of the cycle. However, a new high would create a positive divergence with the RSI, warning we could see a momentum slowdown, which needed to be monitored.
- The futures traded to a low of USD 17,375 before finding bid support due to the move being a countertrend Elliott wave 4. We are above all key moving averages with 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 futures look to be on a bullish impulse Elliott wave 5 for this phase of the cycle; however, final confirmation will only come above USD 18,325. The MA on the RSI implies momentum is supported, whilst Fibonacci projection levels suggest we could trade as high as USD 18,765 within this phase of the cycle. We do have a note of caution on upside breakouts above USD 13,325, as it will create a negative divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown which will need to be monitored.



Capesize Cal 26

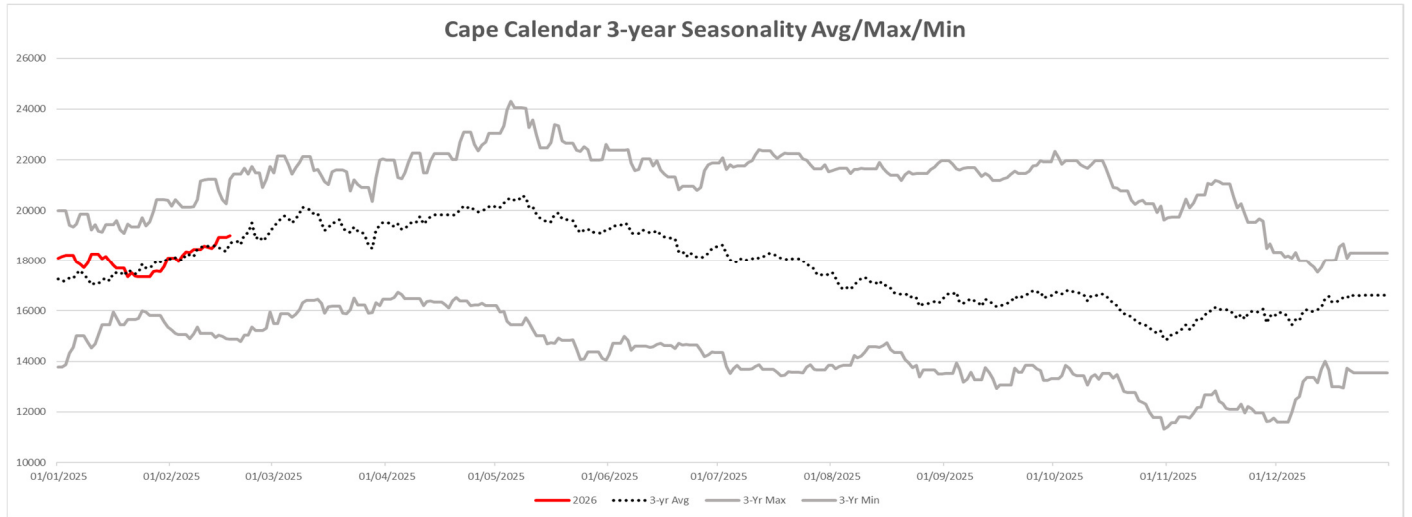


Support	Resistance	Current Price	Bull	Bear
S1	R1	19,000	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum was supported, whilst intraday Elliott wave analysis suggested 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 would start to decrease. We noted that the intraday RSI was in divergence, meaning we could see a momentum slowdown, which needed to be monitored. If we closed below the low of the last dominant bull candle (USD 18,375), it would warn that buy-side pressure was slowing, meaning we could be about to enter into a corrective phase.
- We failed to close below the USD 18,375 level, resulting in price making new highs, the intraday divergence has now failed. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 17,854 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI continues to suggest that momentum is support, whilst intraday Elliott wave analysis implies that downside moves should be considered as countertrend, making USD 17,854 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. Near-term oscillators are overbought and in divergence (6-period RSI, not shown), warning we are starting to look overextended to the upside in the near-term, leaving the futures vulnerable to a corrective pullback.



Capesize C5 March 25 (Rolling Front Month Heiken Ashi)



Support	Resistance	Close Price	Bull	Bear
S1	R1	7.71	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 (54)
- Stochastic is overbought
- Current price USD 7.85
- Technically bullish last week, the MA on the RSI implied that momentum was supported. As noted previously, due to the RSI breaking near-term resistance on the roll, we maintained 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 would start to decrease.
- We traded to a low of USD 7.60 before finding light bid support. We are above the 8-21 period EMA's with 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.
- Unchanged on the technical this we, we remain bullish with the MA on the RSI implying that momentum is supported. As noted Previously, 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. The futures are now trading above the weekly pivot level (USD 7.73); if we close above and hold above it, then it will imply that buy-side pressure is increasing, leaving resistance levels vulnerable.