



Capesize Technical Report

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Index

Bearish last week, the MA on the RSI implied that we had momentum support whilst above the weekly pivot level, warning resistance levels were vulnerable. Having moved higher, the technical is now bullish. The RSI has broken resistance alongside price suggesting downside moves should be considered as countertrend. The 200-period MA is at USD 19,373, making this our near-term resistance, as we approach this level, we can see that the RSI will also be approaching a resistance zone, suggesting caution as we approach the average. If however, we close above and hold above the average it will leave the primary trend support vulnerable (now a resistance USD 23,968)

April 25

Bullish but in divergence whilst the intraday Elliott wave cycle was on a wave 5, warning we were vulnerable to a move lower. However, we noted that the roll into April would create a bullish wave extension. The futures did gap high on the roll meaning we have seen a wave extension, meaning downside moves are considered as countertrend. The futures are testing the 200-period MA (USD 20,671) whilst the RSI is testing resistance, resulting in price seeing a small move lower. Failure to close above and hold above the average will warn we could be about to see a technical pullback.

Q2 25

Bullish last week, we noted that there were two cycles in play, in which both suggested downside moves should be considered as countertrend. Having traded to a low of USD 20,225 the futures have gone on to trade to a new high. The futures are moving lower on an intraday negative divergence with the RSI, warning support levels could come under pressure in the near-term. However, the MA on the RSI implying momentum remains supported, whilst higher timeframe wave analysis continues to suggest that downside moves should be considered as countertrend, making USD 18,837 the key support to follow. If we do trade below this level, then the probability of the futures trading to a new high will start to decrease.

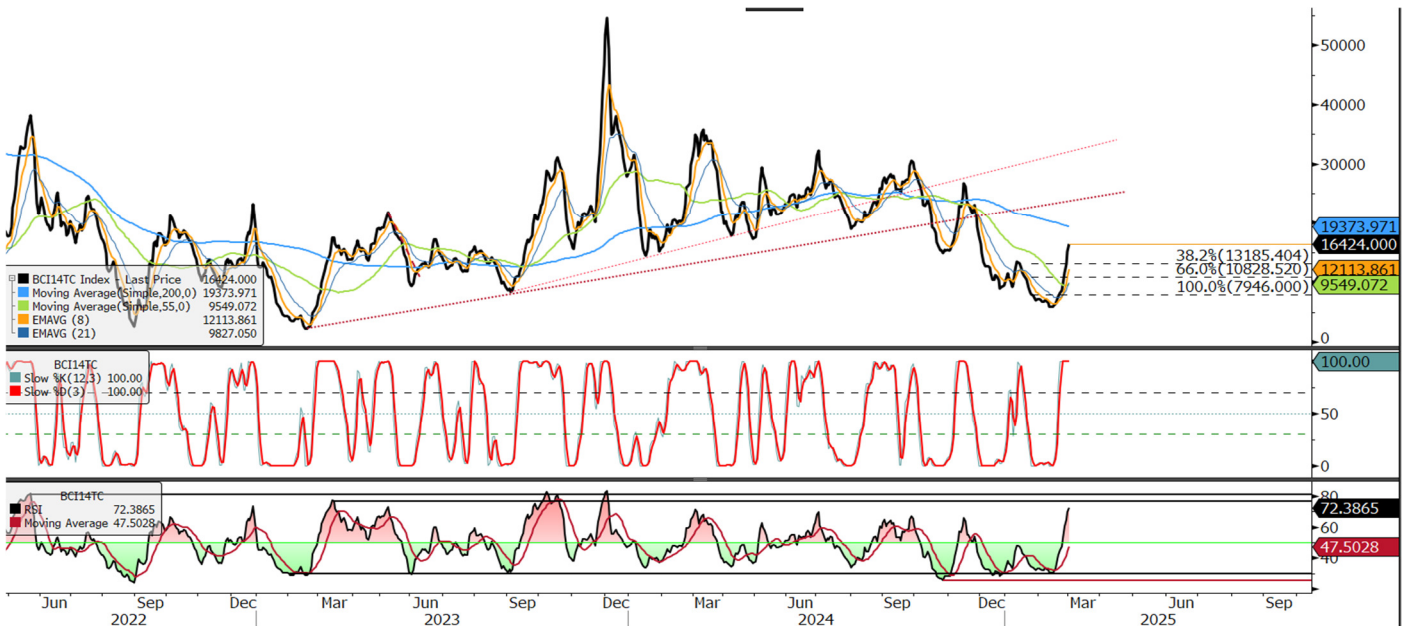
Cal 26

Bullish last week, we had a note of caution on higher moves due to the resistance zone and the 200-period MA. We continued to move higher; however, we have rejected the resistance zone and failed to hold above the 200-period MA. The futures have now entered a corrective phase. The MA on the RSI implies momentum is supported; however, we can see that the average is starting to flatten, meaning buy-side momentum is starting to soften. Elliott wave analysis indicates that downside moves should be considered as countertrend, making USD 18,253 the key support to follow, below this level, the probability of the futures trading to a new high will start to decrease. Bullish but corrective, meaning the Fibonacci support zone could come under pressure in the near-term.

C5 April

Bullish last week, the RSI was approaching a resistance zone which needed to be monitored, as the roll into April would put the RSI in the zone. The futures did move and gap higher on the roll. We remain bullish with the futures testing key Fibonacci resistance whilst the RSI is in a resistance zone, suggesting we are starting to look vulnerable to a technical pullback. However, based on our momentum indicators making new highs, the technical is suggesting that downside moves now look like they could be countertrend.

Capesize Index

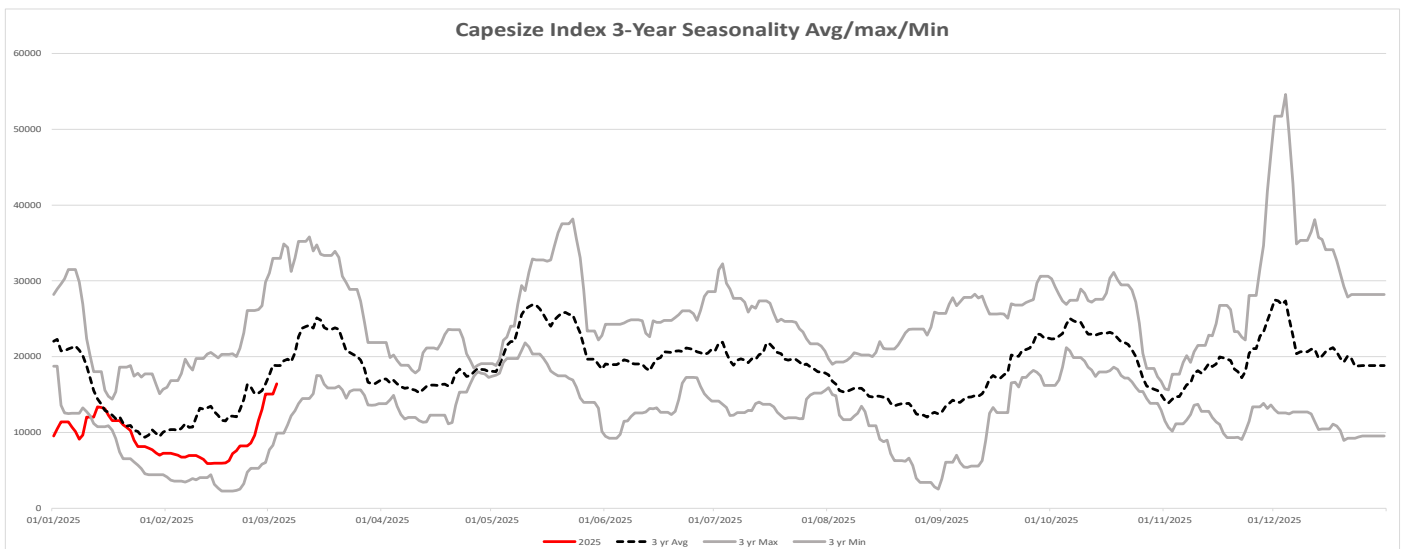


	Support	Resistance	Current Price	Bull	Bear
S1	13,185	R1	19,373	RSI above 50	Stochastic overbought
S2	12,922	R2	23,968		
S3	10,828	R3	26,777		

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 12,922)
- Technically bearish on the last report, the MA on the RSI implied that we had light momentum support, whilst we were above the weekly pivot level, warning resistance levels were vulnerable. If we did trade above USD 10,843, then the probability of the index trading to a new low would start to decrease. Market buyers would need to be cautious on a close below the MPB-weekly pivot support zone (USD 7,480—USD 7,328), as it would warn that sell side pressure is increasing.
- The index closed above the weekly pivot level, resulting in price moving higher, the technical is now bullish. We are above the 8– 21 period EMA's with the RSI above 50.
- Momentum based on price is aligned to the buy side, a close below USD 14,848 will mean it is aligned to the sell side. Downside moves that hold at or above USD 10,828 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI indicates that momentum is supported, implying support levels should hold if tested. The RSI has broken resistance alongside price suggesting downside moves should be considered as countertrend. The 200-period MA is at USD 19,373, making this our near-term resistance, as we approach this level, we can see that the RSI will also be approaching a resistance zone, suggesting caution as we approach the average. If however, we close above and hold above the average it will leave the primary trend support vulnerable (now a resistance USD 23,968)



Capesize April 25 (1 Month forward)

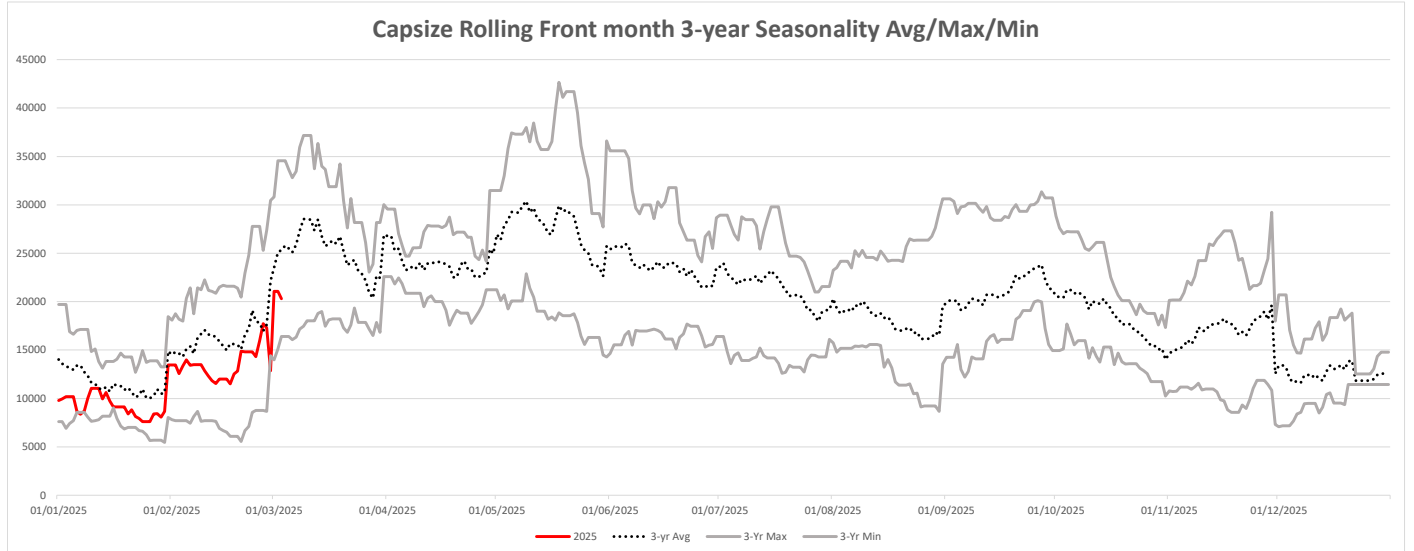


	Support	Resistance	Current Price	Bull	Bear
S1	16,074	R1	20,898	RSI above 50	Stochastic overbought
S2	14,437	R2	23,455		
S3	12,217	R3	27,800		

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (67)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI was flat, implying momentum was turning neutral. The intraday technical was showing a 5- wave pattern higher whilst in divergence with the RSI, warning the futures are vulnerable to a technical pullback. However, although this technical suggests caution on moves higher due to the intraday Elliott wave cycle, we noted that the futures would be rolling into April on Friday (28/02—short month). This was going to result in price gapping higher by nearly USD 4,000 on the roll and would almost certainly create a higher timeframe wave extension (this would result in momentum indicators making new highs), meaning downside moves should be considered as countertrend (after the roll). This would become more apparent when we look at the Q2, as this cycle has already extended on the recent push higher. The March contract might look vulnerable to a move lower, but without a strong correction in the April, the wave cycle would become bullish again on the roll.
- The futures continued to move higher with price gapping even higher on the roll, creating the Elliott wave extension. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 12,217 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, whilst Elliott wave analysis indicates that downside moves should be considered as countertrend. The futures are testing the 200-period MA (USD 20,671) whilst the RSI is testing resistance, resulting in price seeing a small move lower. Failure to close above and hold above the average will warn we could be about to see a technical pullback.

Source Bloomberg



Capesize Q2 25

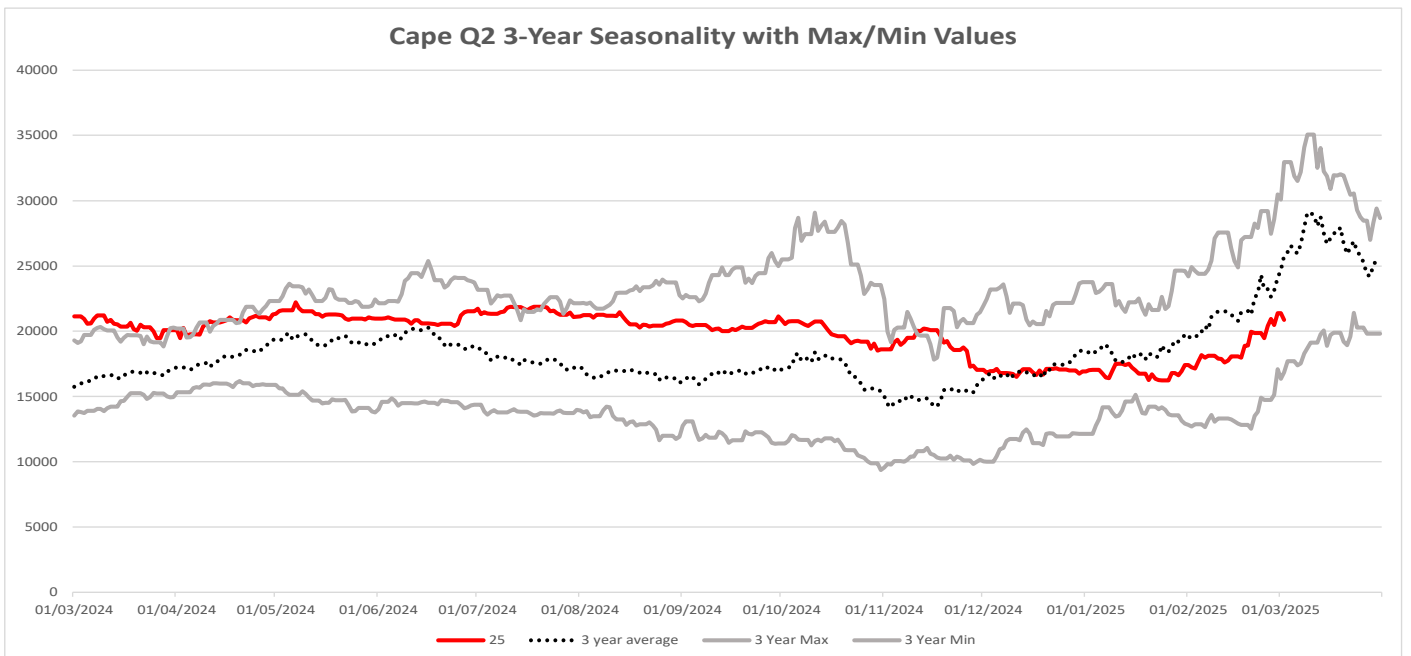


	Support	Resistance	Current Price	Bull	Bear
S1	20,032	R1	20,825	RSI above 50	Stochastic overbought
S2	19,525	R2			
S3	18,837	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Technically bullish last week, the upside moves had resulted in an Elliott wave extension, meaning downside moves should be considered as countertrend. The futures had entered a small corrective phase; however, we had two Elliott wave cycles in play, lower timeframe and higher timeframe, both cycles suggest that downside moves should in theory be countertrend. If we did trade below the USD 18,378 support, then the probability of the futures trading to a new high would start to decrease.
- Having traded to a low of USD 20,225 the futures have gone on to trade to a new high. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,837 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are moving lower on an intraday negative divergence with the RSI, warning support levels could come under pressure in the near-term. However, the MA on the RSI implying momentum remains supported, whilst higher timeframe wave analysis continues to suggest that downside moves should be considered as countertrend, making USD 18,837 the key support to follow. If we do trade below this level, then the probability of the futures trading to a new high will start to decrease.



Capesize Cal 26

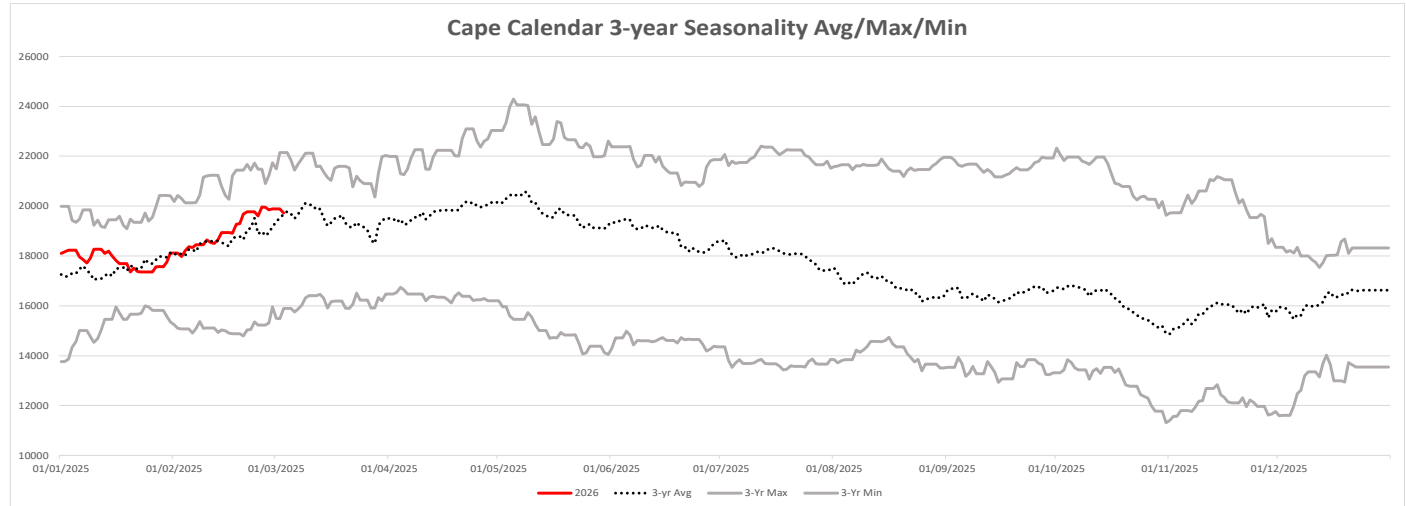


Support	Resistance	Current Price	Bull	Bear
S1	R1	19,575	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

Synopsis

- Price is between the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI continued to suggest that momentum was supported, whilst intraday Elliott wave analysis continued to imply that downside moves should be considered as countertrend, making USD 18,109 the key support to follow. The intraday RSI remained divergence with price whilst approaching the 200-period MA (USD 19,951), we also had a resistance zone above the average highlighted on the chart. Despite the move higher last week, we maintain a note of caution on moves higher at those levels, but maintained our view that downside moves should be considered as countertrend. A close below the low of the last dominant bull candle (USD 19,600) would warn that buyside pressure was fading, implying we could enter a corrective phase.
- The futures traded to a high of USD 20,250; however, we have rejected the resistance zone and failed to hold above the 200-period MA. We are between the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 18,253 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures have now entered a corrective phase. The MA on the RSI is implying momentum is supported; however, we can see that the average is starting to flatten, meaning buyside momentum is starting to soften. Elliott wave analysis indicates that downside moves should be considered as countertrend, making USD 18,253 the key support to follow, below this level, the probability of the futures trading to a new high will start to decrease. Bullish but corrective, meaning the Fibonacci support zone could come under pressure in the near-term.



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



	Support	Resistance	Close Price	Bull	Bear
S1	8.14	R1	9.26	RSI above 50	Stochastic overbought
S2	7.80	R2	9.81		
S3	7.33	R3	10.76		

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 (72)
- Stochastic is overbought
- Current price USD 9.25
- Technically bullish last week, the upside move to a new high had resulted in the divergence failing. However, the RSI was approaching a resistance zone which will need to be monitored, as the roll into April on Friday would put price in the zone. A close below the low of the last dominant bull candle (USD 8.03) would warn that buy-side pressure was decreasing, leaving the futures vulnerable to a technical pullback.
- The futures continued to move higher after the divergence failure before gapping higher on roll into April. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 7.33 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are testing key Fibonacci resistance whilst the RSI is in a resistance zone, suggesting we are starting to look vulnerable to a technical pullback. However, based on our momentum indicators making new highs, the technical is suggesting that downside moves now look like they could be countertrend.

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