



# Capesize Technical Report

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## Index

Bullish with downside moves considered as countertrend last week, the index continued to move higher with price now above the 200-period MA (USD 19,277). The RSI is now entering the resistance zone highlighted last week. If we hold above the 200-period MA, then we target the price trend line at USD 23,909; likewise, failure to hold above the average will indicate we are entering a corrective move lower. We maintain our view that downside moves look like they could be countertrend, based on the RSI breaking resistance levels previously.

## April 25

Bullish with downside moves considered as countertrend last week, the futures had seen a small move lower having seen the RSI reject resistance. Having traded to a low of USD 18,375 the futures traded to a new high on the back of a bullish intraday hidden divergence (highlighted in the morning technical). The futures are on a bullish impulse Elliott wave 5 of a higher timeframe wave 3. This means that we have the potential to trade as high as USD 24,539 within this phase of the cycle, with downside moves still considered as countertrend. However, we are in divergence with the RSI on the intraday and daily charts, warning we could see a momentum slowdown, meaning we have a note of caution on upside breakouts above USD 21,750.

## Q3 25

The Q2 25 futures were bullish with downside moves considered as countertrend. Having traded to a low of USD 19,725 they have since moved higher and are currently trading at USD 22,450. The Q3 futures are bullish having held the USD 21,012 support and closed back above the 55-period MA, warning the USD 22,750 fractal high could be tested and broken. If it is, then Fibonacci projection levels suggest we could trade as high as USD 23,147 within this phase of the cycle; however, if we remain elevated, or trade up to the USD 23,731 resistance, then there is a chance we could be looking at an Elliott wave extension. If we are, then downside moves will be considered as countertrend. Upside moves above USD 22,750 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. If we fail to trade above the USD 22,750 high, then downside moves will still be considered as countertrend, as the futures will remain within a corrective phase.

## Cal 26

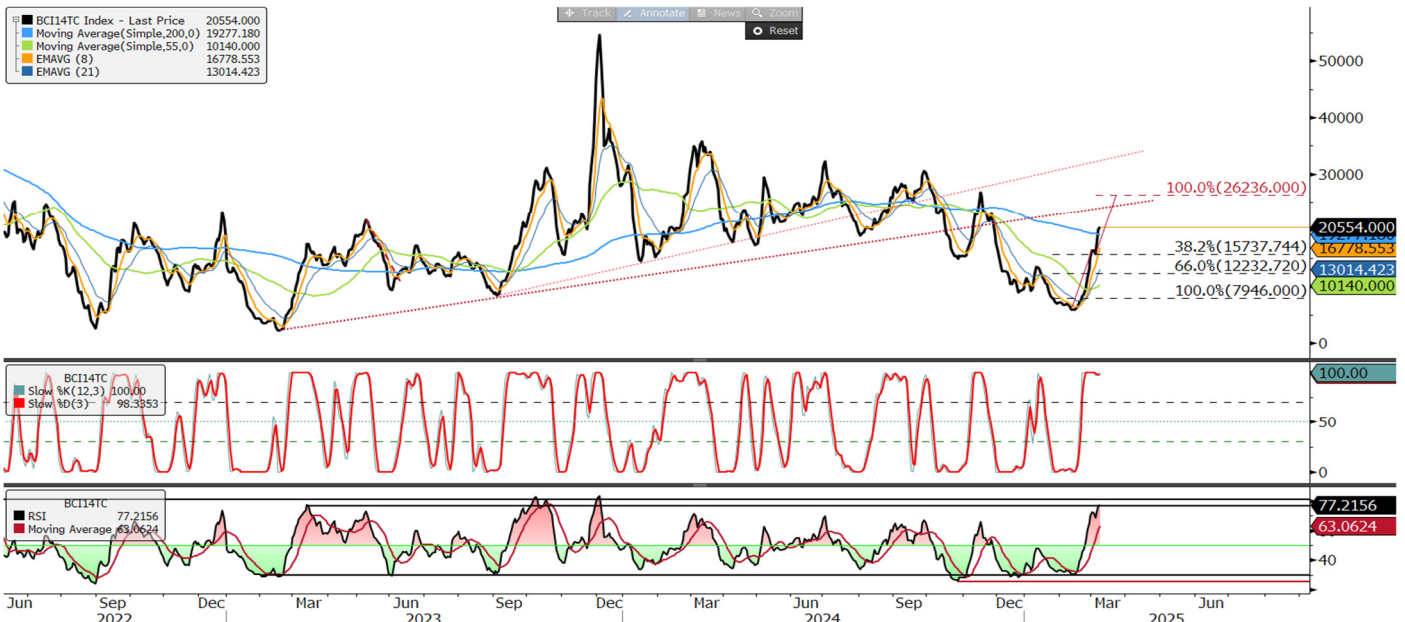
Bullish but in a corrective phase last week, warning support levels could come under pressure in the near-term, downside moves were considered as countertrend. We traded to a low of USD 19,000 before finding bid support; however, we maintain our view that downside moves look like they should be countertrend, making USD 18,253 the key support to follow; if broken, then the probability of the futures trading to a new high will start to decrease. Likewise, upside moves that fail at or below USD 19,825 will leave the futures vulnerable to further tests to the downside. For upside continuation, the futures will need to close above and hold above the 200-period MA (USD 19,919).

## C5 April 25

Bullish last week, the futures were looking vulnerable to a technical pullback due to price and the RSI both testing resistance. We have seen a very small move lower; however, as highlighted previously, the RSI is in a resistance zone whilst the price is holding just below Fibonacci resistance, suggesting caution on upside moves at these levels. Based on the RSI breaking resistance on the move higher, we maintain our view that downside moves look like they could be countertrend at this point, making USD 7.34 the key support to follow. If broken, then the probability of futures trading to a new high will start to decrease.

# Capesize Index

BCI14TC Index - Last Price	20554.000
Moving Average(Simple,200,0)	19277.180
Moving Average(Simple,55,0)	10140.000
EMA(8)	16778.553
EMA(21)	13014.423

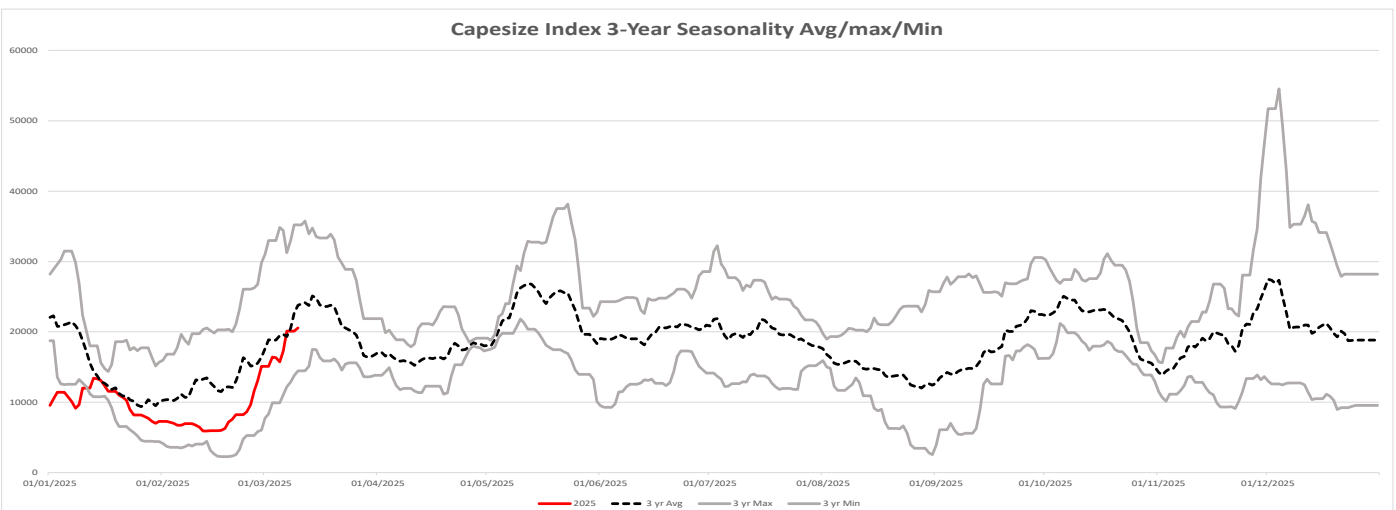


	Support	Resistance	Current Price	Bull	Bear
S1	20,817	R1	23,909		
S2	18,626	R2	26,236	RSI above 50	Stochastic overbought
S3	15,737	R3	32,348		

## Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (77)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 18,626)
- Technically bullish last week, the MA on the RSI indicated that momentum was supported, implying support levels should hold if tested. The RSI had broken resistance alongside price suggesting downside moves should be considered as counter-trend. The 200-period MA was at USD 19,373, making this our near-term resistance, we noted that as we approached this level we could see that the RSI would also be approaching a resistance zone, suggesting caution as we approached the average. If however, we closed above and held above the average it would leave the primary trend support vulnerable (now a resistance USD 23,968)
- The index continues to move higher with price now above the 200-period MA (USD 19,277), we are above all key moving averages with the RSI above 50.
- Momentum based on price is aligned to the buy side, a close below USD 19,301 will mean it is aligned to the sell side. Downside moves that hold at or above USD 12,232 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 supported; however, the RSI is entering the resistance zone highlighted last week. If we hold above the 200-period MA, then we target the price trend line at USD 23,909; likewise, failure to hold above the average will indicate we are entering a corrective move lower. We maintain our view that downside moves look like they could be countertrend based on the RSI breaking resistance levels previously.



# Capesize April 25 (1 Month forward)

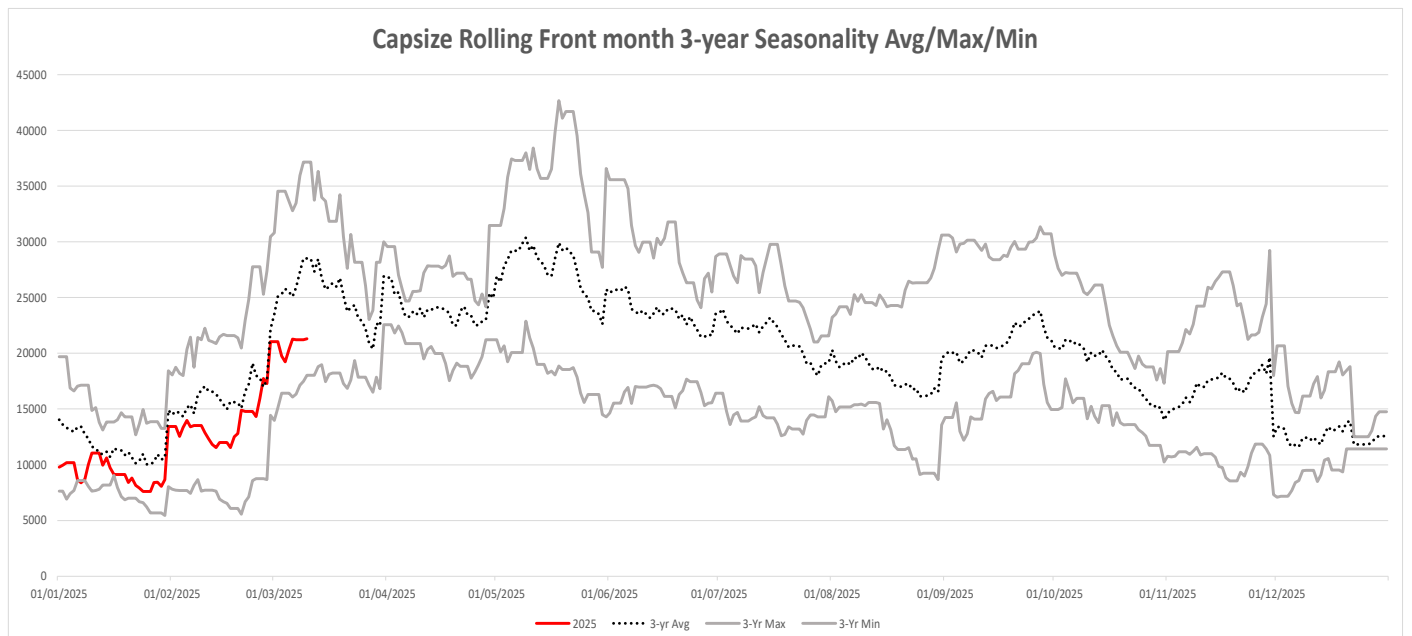


	Support	Resistance	Current Price	Bull	Bear
S1	16,306	R1	23,455	RSI above 50	Stochastic overbought
S2	14,625	R2	24,539		
S3	12,345	R3	27,800		

## 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 implied that momentum was supported, whilst Elliott wave analysis indicated that downside moves should be considered as countertrend. The futures were testing the 200-period MA (USD 20,671) whilst the RSI was testing resistance, resulting in price seeing a small move lower. Failure to close above and hold above the average would warn that we could be about to see a technical pullback.
- The futures traded to a low of USD 18,375; however, we noted in our morning technical report that we had a bullish hidden divergence in play, warning we could see another test to the upside, which would signal a lower timeframe Elliott wave extension. Price is currently above the 200-period MA (USD 20,554) whilst the RSI is above 50.
- Downside moves that hold at or above USD 12,345 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. The futures are on a bullish impulse Elliott wave 5 of a higher timeframe wave 3. This means that we have the potential to trade as high as USD 24,539 within this phase of the cycle, with downside moves still considered as countertrend. However, we are in divergence with the RSI on the intraday and daily charts, warning we could see a momentum slowdown, meaning we have a note of caution on upside breakouts above USD 21,750.

Source Bloomberg



# Capesize Q3 25

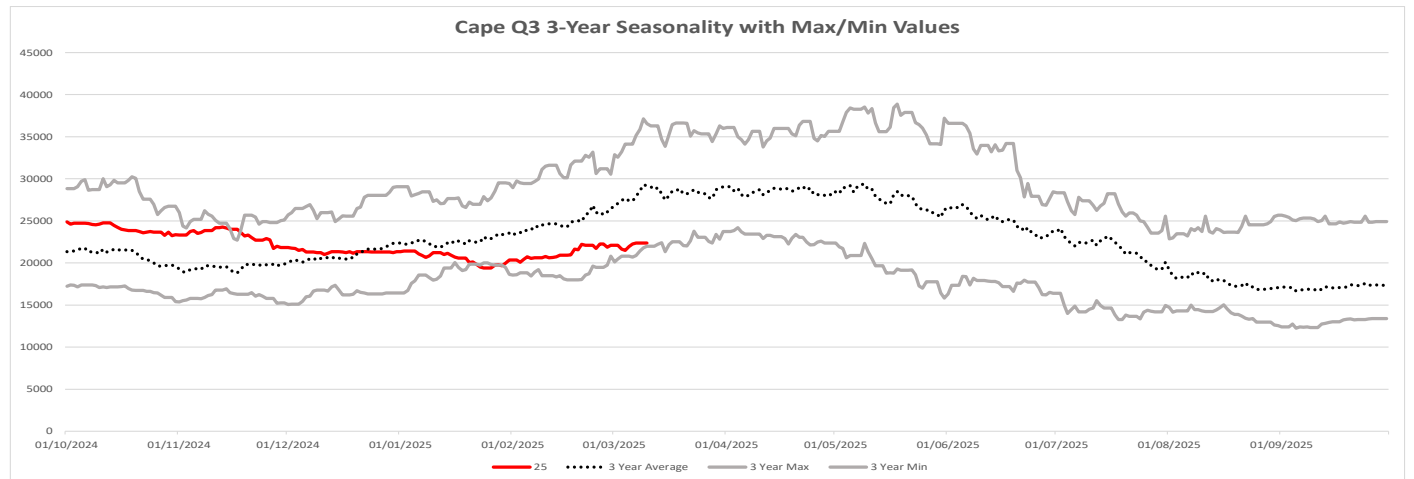


	Support	Resistance	Current Price	Bull	Bear
S1	21,012	R1	22,525	RSI above 50	
S2	20,456	R2			
S3	20,018	R3			

## Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is above 50
- Technically bullish last week, the futures were 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 implied that momentum remained supported, whilst higher timeframe wave analysis continued to suggest that downside moves should be considered as countertrend, making USD 18,837 the key support to follow. If we did trade below this level, then the probability of the futures trading to a new high will start to decrease.
- The Q2 futures traded to a low of USD 19,725; however, the move lower was countertrend resulting in price currently trading at a high of USD 22,450. With Q2 now pricing in, we are focusing on the Q3 futures. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 20,456 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that we have light momentum support. The downside move held above the USD 21,012 support with price closing back above the 55-period EMA, warning the USD 22,750 fractal high could be about to be tested and broken. If it is, then Fibonacci projection levels suggest we could trade as high as USD 23,147 within this phase of the cycle; however, if we remain elevated, or trade up to the USD 23,731 resistance, then there is a chance we could be looking at an Elliott wave extension. If we are, then downside moves will be considered as countertrend. Upside moves above USD 22,750 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. If we fail to trade above the USD 22,750 high, then downside moves will still be considered as countertrend, as the futures will remain within a corrective phase.



# Capesize Cal 26

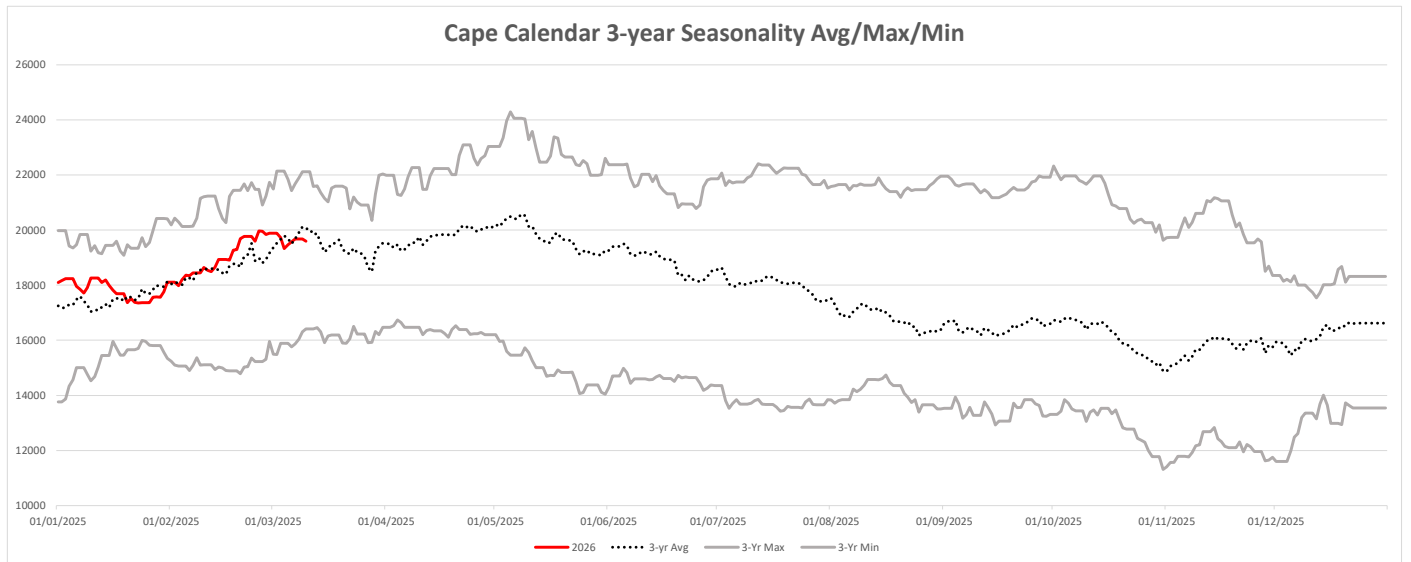


	Support	Resistance	Current Price	Bull	Bear
S1	19,094	R1	19,825	RSI above 50	Stochastic overbought
S2	18,737	R2	20,129		
S3	18,253	R3	20,683		

Source Bloomberg

## Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is below 50
- Technically bullish last week, the futures had now entered a corrective phase. The MA on the RSI implied that momentum was supported; however, we could see that the average was starting to flatten, meaning buy-side momentum was 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 would start to decrease. Bullish but corrective, meaning the Fibonacci support zone could come under pressure in the near-term.
- The futures traded to a low of USD 19,000 before finding bid support. We are back above 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 MA on the RSI implies that we have light momentum weakness. We maintain our view that downside moves look like they should be countertrend, making USD 18,253 the key support to follow; if broken, then the probability of the futures trading to a new high will start to decrease. Likewise, upside moves that fail at or below USD 19,825 will leave the futures vulnerable to further tests to the downside. For upside continuation, the futures will need to close above and hold above the 200-period MA (USD 19,919).



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



Support	Resistance	Close Price	Bull	Bear
S1	R1	9.12	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 (68)
- Stochastic is overbought
- Technically bullish last week, the futures were testing key Fibonacci resistance whilst the RSI was 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 suggested that downside moves now look like they could be countertrend.
- The futures traded to a high of USD 9.29 before seeing a small pullback, we are below all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 7.34 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged on the technical this week. The MA on the RSI is indicating that momentum remains supported; however, as highlighted previously, the RSI is in a resistance zone whilst the price is holding just below Fibonacci resistance, suggesting caution on upside moves at these levels. Based on the RSI breaking resistance on the move higher, we maintain our view that downside moves look like they could be countertrend at this point, making USD 7.34 the key support to follow. If broken, then the probability of futures trading to a new high will start to decrease.