

Index

We continued to have a note of caution on moves higher last week due to price being below primary trend resistance whilst the RSI was also below its resistance zone. We have seen a move lower, the technical remains bullish but in a corrective phase, price is now approaching the 200-period MA at USD 19,183. Downside moves that hold above the average will support a bull argument; likewise, a close below that holds below it will leave the Fibonacci support zone vulnerable, making USD 12,051 the key support to follow. If broken, then the probability of price trading to a new high will start to decrease. The strength of the initial upside move is warning that downside moves have the potential to be countertrend. A close above the weekly pivot level (USD 21,105) will indicate that buy-side pressure is increasing, warning we could look to test trend resistance at USD 24,500.

May 25

Bullish but in a corrective phase last week, our Elliott wave analysis continued to suggest that downside moves look like they could be countertrend. The futures rejected the USD 22,531 resistance resulting in price trading to a new low. The roll into May means the futures are trading back above the 200-period MA (USD 20,248). If we close above and hold above this level, it will warn that the USD 22,336 level could be tested and broken; if it is, then it would suggest that we could be in the early stages of a bullish impulse Elliott wave 5. However, a rejection of this level will leave the futures vulnerable to further tests to the downside. We can see on the chart that price has already rejected the USD 22,336 level, suggesting we are in a corrective wave C, meaning we are cautious on move lower at this point, as our wave analysis implies that they could struggle to hold.

Q3 25

Bullish last week, the momentum support warned that the USD 23,250 high could be tested and broken; however, we were cautious on upside breakouts as the futures would be in divergence with the RSI. We failed to trade above the USD 23,250 fractal high, resulting in price selling below the USD 21,765 Fibonacci support. Bullish with a neutral bias, the probability of the futures trading to a new high within this phase of the cycle has started to decrease, suggesting we have entered a corrective Elliott wave C. Lower timeframe Elliott wave analysis is now indicating that upside moves should be considered as countertrend in the near-term, making USD 22,648 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease, this would imply that buy-side pressure is increasing, warning the corrective phase may have completed. Key support to now follow is at USD 20,626, corrective moves that hold at or above this level will warn that there is a larger, bullish Elliott wave cycle in play. We highlight USD 21,000 as a key area of support, as this is the 161.8% Fibonacci projection of A to C, and also the base of wave 4. Frost and Prechter noted in their book 'Elliott Wave Principle' that market corrections often terminated around the previous wave 4 level.

Cal 26

Bullish last week, the failed upside breakout from the symmetrical triangle warned that support levels could come under pressure in the near-term. The futures have sold lower; however, price remains bullish but in a corrective phase. The upside rejection of the 200-period MA (USD 19,868) is warning that the USD 19,000 fractal support is vulnerable, suggesting we are in a corrective Elliott wave C. If we do trade above the intraday double top (USD 19,875), it will indicate that buy-side pressure is increasing, meaning the USD 20,250 fractal high could be tested and broken.

C5 May 25

Bearish last week, the technical suggested caution on moves higher due to the Elliott wave pattern and break in fractal support, resulting in price selling lower. We remain in a corrective phase with the MA on the RSI implying momentum remains weak, warning resistance levels could hold if tested in the near-term. Upside moves that fail at or below USD 9.27 will warn that there could be a larger corrective phase in play. Likewise, if broken, it will warn that the USD 9.58 fractal high could come under pressure.

Capesize Index

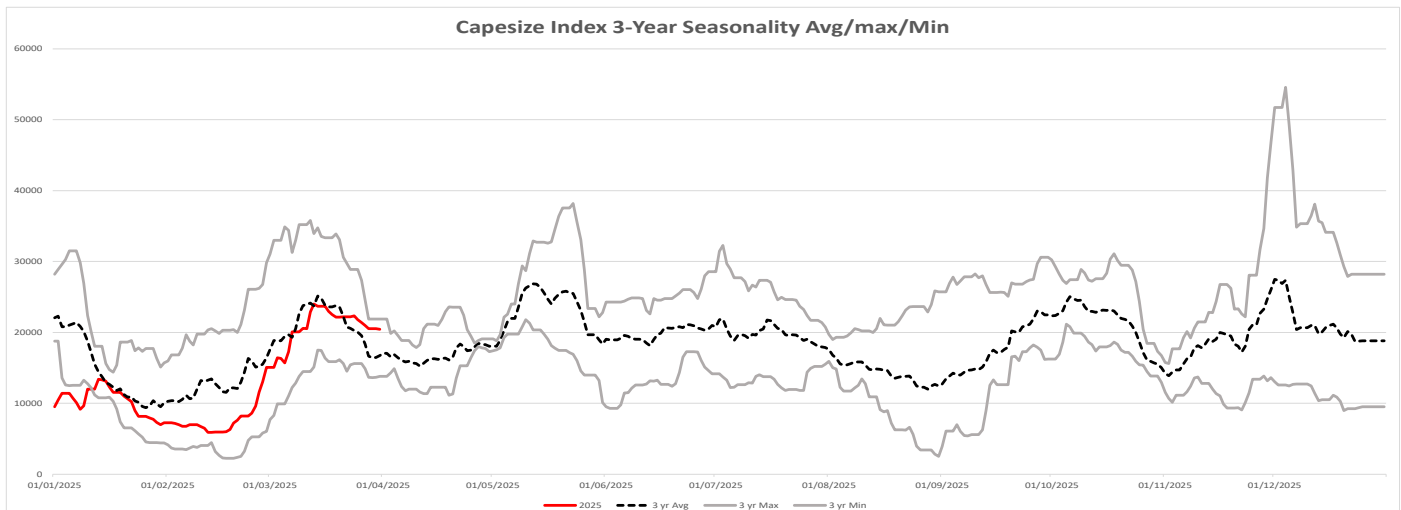


	Support	Resistance	Current Price	Bull	Bear
S1	19,183	R1	23,992	RSI above 50	
S2	17,080	R2	24,500		
S3	12,051	R3	26,236		

Synopsis

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 21,105)
- Technically bullish last week, the MA on the RSI was flat due to the rejection of its resistance zone. Price was finding support on the 8—period EMA having recently seen a small move higher. If we closed above the weekly pivot level (USD 22,427) it would warn that buyside pressure was increasing, meaning resistance levels would start to look vulnerable. However, we were still below primary trend resistance and the RSI resistance zone, meaning we had a note of caution on higher moves at that point.
- The index failed to close above the USD 22,427 level last week, resulting in a move lower due to the RSI rejecting its resistance zone. Price is between the 8-21 period EMA's with the RSI above 50.
- Momentum based on price is aligned to the sell side, a close below USD 20,634 will mean it is aligned to the buyside. Downside moves that hold at or above USD 12,051 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the index is approaching the 200-period MA (USD 19,183). Downside moves that hold above the average will support a bull argument; likewise, a close below that holds below it will leave the Fibonacci support zone vulnerable, making USD 12,051 the key support to follow. If broken, then the probability of price trading to a new high will start to decrease. The strength of the initial upside move is warning that downside moves have the potential to be countertrend. A close above the weekly pivot level (USD 21,105) will indicate that buyside pressure is increasing, warning we could look to test trend resistance at USD 24,500.



Capesize May 25 (1 Month forward)

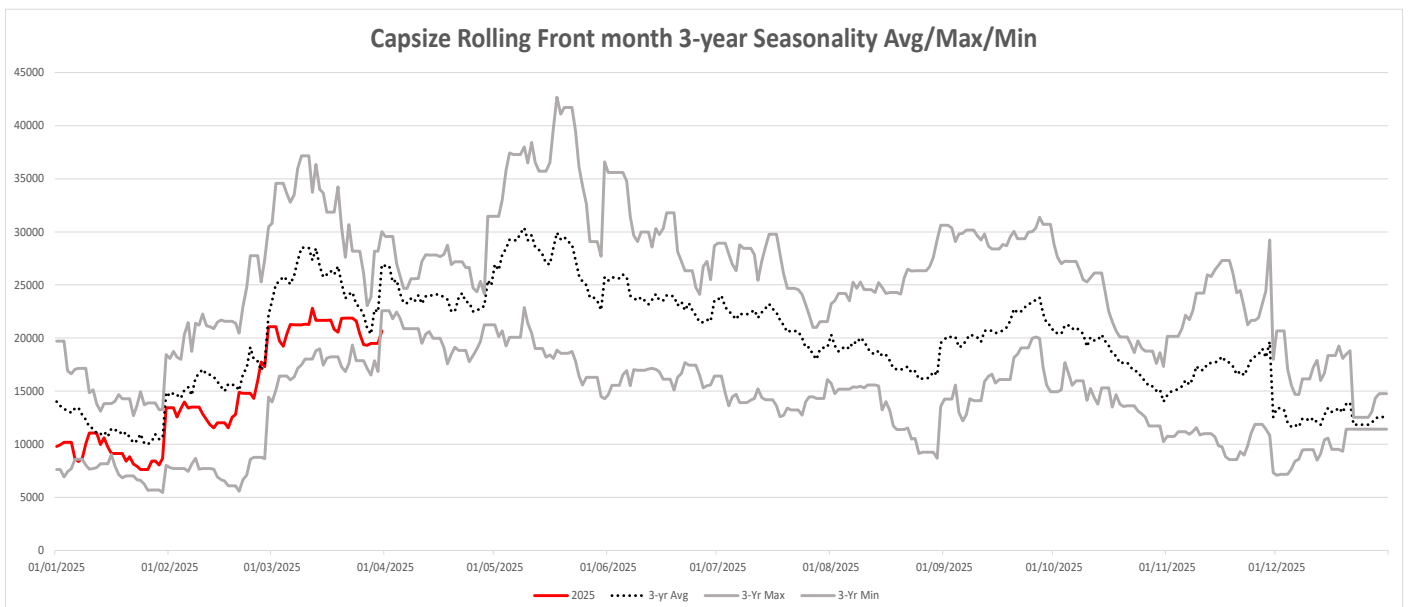


	Support	Resistance	Current Price	Bull	Bear
S1	20,248	R1	22,336	RSI above 50	
S2	17,635	R2	23,445		
S3	15,700	R3	24,539		

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is oversold
- Technically bullish last week, the MA on the RSI was flat, implying momentum was neutral, whilst the RSI was below its average. We had found support on the daily 200-period MA but price remained below the USD 22,531 resistance; if broken, it would warn that we could be in the early stages of a bullish impulse wave 5. Likewise, failure to trade above it would leave support levels vulnerable in the near-term. Elliott wave analysis continued to suggest that downside moves should be considered as countertrend. We were cautious on moves higher whilst below the USD 22,531 resistance.
- The futures sold to a low of USD 19,300 before finding light bid support. The Roll into May today (31/03) means price has gapped higher. Price is above all key moving average supported by the RSI above 50.
- Downside moves that hold at or above USD 13,076 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the roll into May means the futures are trading back above the 200-period MA (USD 20,248). If we close above and hold above this level, it will warn that the USD 22,336 level could be tested and broken; if it is, then it would suggest that we could be in the early stages of a bullish impulse Elliott wave 5. However, a rejection of this level will leave the futues vulnerable to further tests to the downside. We can see on the chart that price has already rejected the USD 22,336 level, suggesting we are in a corrective wave C, meaning we are cautious on move lower at this point, as our wave analysis implies that they could struggle to hold.

Source Bloomberg



Capesize Q3 25

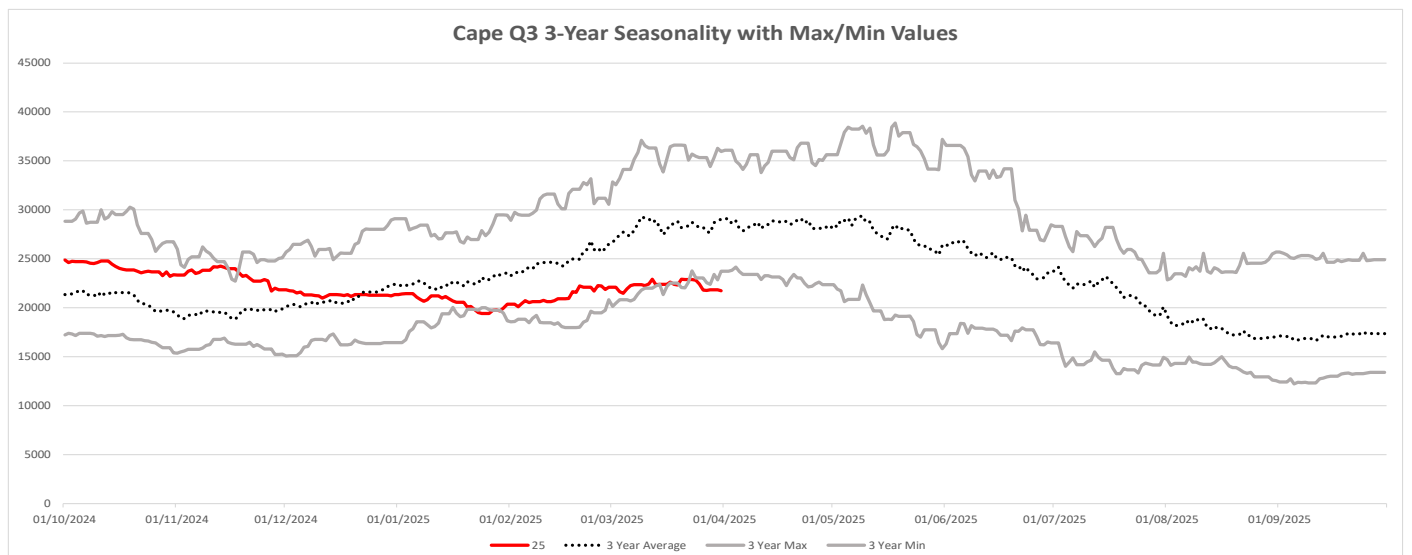


	Support	Resistance	Current Price	Bull	Bear	
S1	21,481	R1	21,750	Stochastic oversold	RSI below 50	
S2	21,000	R2				22,648
S3	20,626	R3				23,250

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- Technically bullish last week, the MA on the RSI implied that we had light momentum support. The downside move had held above key support, warning the USD 23,250 fractal high could be tested and broken. However, we noted that a new high would create further intraday divergences, meaning we remained cautious on upside breakouts above this level.
- The futures failed to trade above the USD 23,250 fractal high, resulting in price selling below the USD 21,765 Fibonacci support.
- Upside moves that fail at or below USD 22,648 will leave the futures vulnerable to further tests to the downside, above this level will warn that the USD 23,250 fractal high could be tested and broken.
- Technically bullish with a neutral bias, the probability of the futures trading to a new high within this phase of the cycle has started to decrease, suggesting have entered a corrective Elliott wave C. Lower timeframe Elliott wave analysis is now indicating that upside moves should be considered as countertrend in the near-term, making USD 22,648 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. Key support to now follow is at USD 20,626, corrective moves that hold at or above this level will warn that there is a larger, bullish Elliott wave cycle in play. We highlight USD 21,000 as a key area of support, as this is the 161.8% Fibonacci projection of A to C, and also the base of wave 4. Frost and Prechter noted in their book 'Elliott Wave Principle' that market corrections often terminated around the previous wave 4 level.



Capesize Cal 26

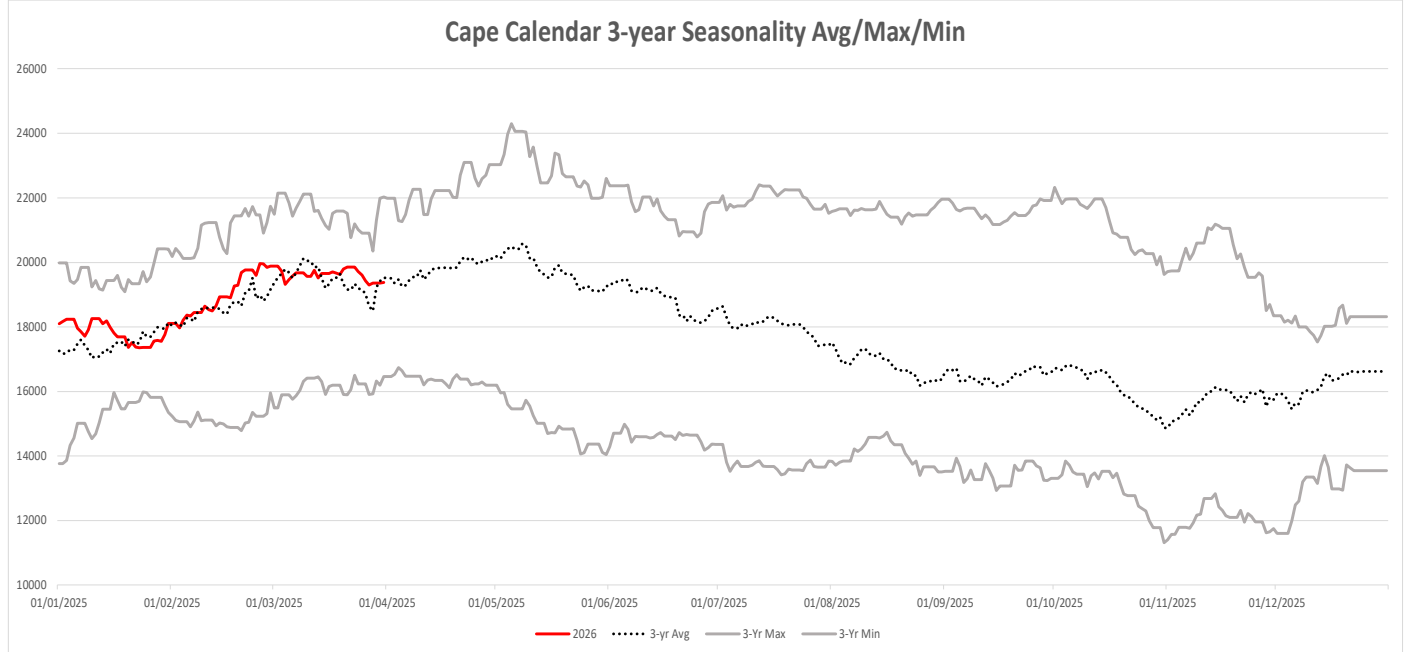


	Support	Resistance	Current Price	Bull	Bear
S1	19,094	R1	19,225	Stochastic oversold	RSI below 50
S2	18,737	R2			
S3	18,253	R3			

Source Bloomberg

Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- Unchanged again on the technical last week, we remained bullish with Elliott wave analysis suggesting downside moves should be considered as countertrend. The upside breakout from the symmetrical triangle had rejected the 200-period MA, resulting in a small move lower, warning support levels could come under pressure in the near-term.
- The futures have sold lower due to the failure of the upside breakout. We are below the 8-21 period EMA's with the RSI below 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 but in a corrective phase, the MA on the RSI implies that momentum remains weak at this point. The upside rejection of the 200-period MA (USD 19,868) is warning that the USD 19,000 fractal support is vulnerable, suggesting we are in a corrective Elliott wave C. If we do trade above the intraday double top (USD 19,875), it will indicate that buy-side pressure is increasing, meaning the USD 20,250 fractal high could be tested and broken.



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



	Support	Resistance	Current Price	Bull	Bear
S1	8.34	R1	9.26	RSI above 50	
S2	7.96	R2	9.81		
S3	7.44	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 below the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is oversold
- Technically bearish last week, the futures had found bid support two standard deviations below the linear regression line (correction: it was on standard deviation); however, we had a 5-wave pattern higher (Elliott wave) and a break in fractal support, whilst price and the RSI had made a new low, warning upside moves could struggle to hold. The technical suggested caution on moves higher at that point.
- The upside move failed to hold, resulting in the futures trading to a low of USD 8.68. However, light bid support on Friday has been followed by the roll into May today, meaning we are back above the 8-21 period EMA's, supported by the RSI above 50.
- Downside moves that hold at or above USD 7.44 will support a longer-term bull argument.
- Technically bearish, the futures remain in a corrective phase. The MA on the RSI is implying that momentum remains weak at this point, warning resistance levels could hold if tested. Upside moves that fail at or below USD 9.27 will warn that there could be a larger corrective phase in play. Likewise, if broken, it will warn that the USD 9.58 fractal high could come under pressure.