



Capesize Technical Report

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Index

The index closed below and held below the 200-period MA last week due to the unexpectedly high tariffs from the Trump administration, resulting in price selling lower. We remain bullish but in a corrective phase; a close above that holds the 200-period MA will imply that buy-side pressure is increasing, whilst a move above 21,522 will warn that the USD 23,992 fractal high could be tested and broken. The MA on the RSI indicates that momentum is weak, whilst the close below the 200-period MA is warning the USD 12,051 support is now vulnerable.

May 25

We were cautious on moves lower last week as the futures looked to be on a corrective wave C. We traded above the USD 23,250 fractal resistance; however, we rejected the USD 23,336 Fibonacci resistance for a second time, resulting in the futures selling lower. We noted in the morning technical last week that the move below the USD 19,300 fractal support indicated that we remained in the higher timeframe corrective phase. As noted in the morning technical today, Elliott wave is based on the psychological footprint of the market, which may have changed due to the higher than expected tariffs from the US. Momentum weakness and the trend break are warning that the USD 15,650 intraday support is now vulnerable. If broken, then the probability of the futures trading to a new high will start to decrease.

Q3 25

Bullish but in a corrective wave C last week, we noted that intraday Elliott wave analysis indicated that upside moves should be countertrend. We also highlighted that corrective wave 4's tended to terminate around the lower timeframe wave 4 (USD 21,000), which was also the 161.8% Fibonacci projection. The futures have sold lower due to financial markets going risk off, meaning the technical is now bearish. The downside continuation has resulted in the Elliott wave cycle extending to the downside, meaning upside moves should be considered as countertrend, making USD 21,524 the key resistance to follow. A move above this level will mean that the probability of the futures trading to a new low has started to decrease.

Cal 26

Bullish but in a corrective phase last week, the rejection on the 200-period MA suggested that we were in a corrective wave C. The futures have sold below key support, meaning the probability of price trading to a new high has started to decrease. Lower timeframe Elliott wave analysis is suggesting that upside moves should be considered as countertrend, making USD 19,178 the key resistance to follow, above this level the probability of the futures trading to a new low will start to decrease.

C5 May 25

Bearish but in a corrective phase last week, the futures did trade above the USD 9.27 resistance; however, the move failed to hold resulting in price selling below the USD 8.68 fractal support, indicating there is a larger bear cycle in play. Price and the RSI are making new lows, warning upside resistance levels could hold in the near-term, suggesting support levels are still vulnerable at this point.

Capesize Index

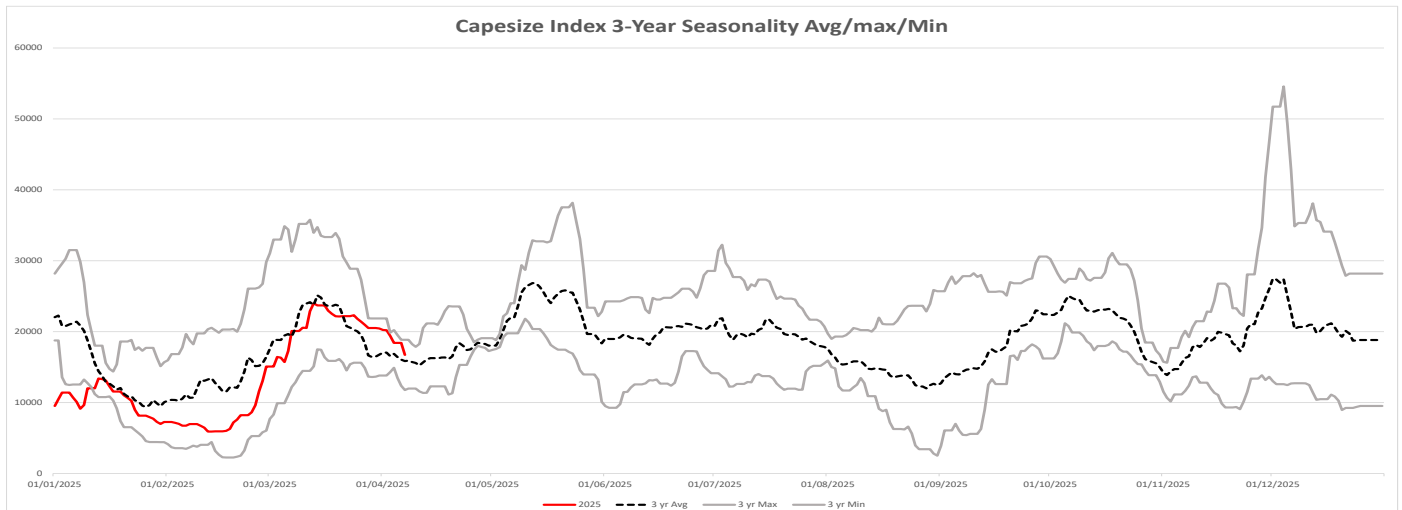


	Support	Resistance	Current Price	Bull	Bear
S1	14,946	R1	19,041	Stochastic oversold	RSI below 50
S2	12,051	R2	19,083		
S3	5,900	R3	21,522		

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 19,083)
- Technically bullish but in a corrective phase last week, the index was approaching the 200-period MA (USD 19,183). Downside moves that held above the average would support a bull argument; likewise, a close below that held below it would 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 would start to decrease. The strength of the initial upside move warned that downside moves had the potential to be countertrend. A close above the weekly pivot level (USD 21,105) would indicate that buyside pressure was increasing, warning we could look to test trend resistance at USD 24,500.
- The index sold lower with price below the 200-period MA on the back of the unexpectedly high tariffs from the US. We are below all key moving averages supported by the RSI below 50.
- Momentum based on price is aligned to the sell side, a close below USD 18,171 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.
- The index remains bullish but in a corrective phase. However, price has closed below and held below the 200-period MA (USD 19,041), warning the Fibonacci support could come under pressure. A close above that holds the 200-period MA will imply that buyside pressure is increasing, whilst a move above 21,522 will warn that the USD 23,992 fractal high could be tested and broken. The MA on the RSI indicates that momentum is weak, whilst the close below the 200-period MA is warning the USD 12,051 support is now vulnerable.



Capesize May 25 (1 Month forward)

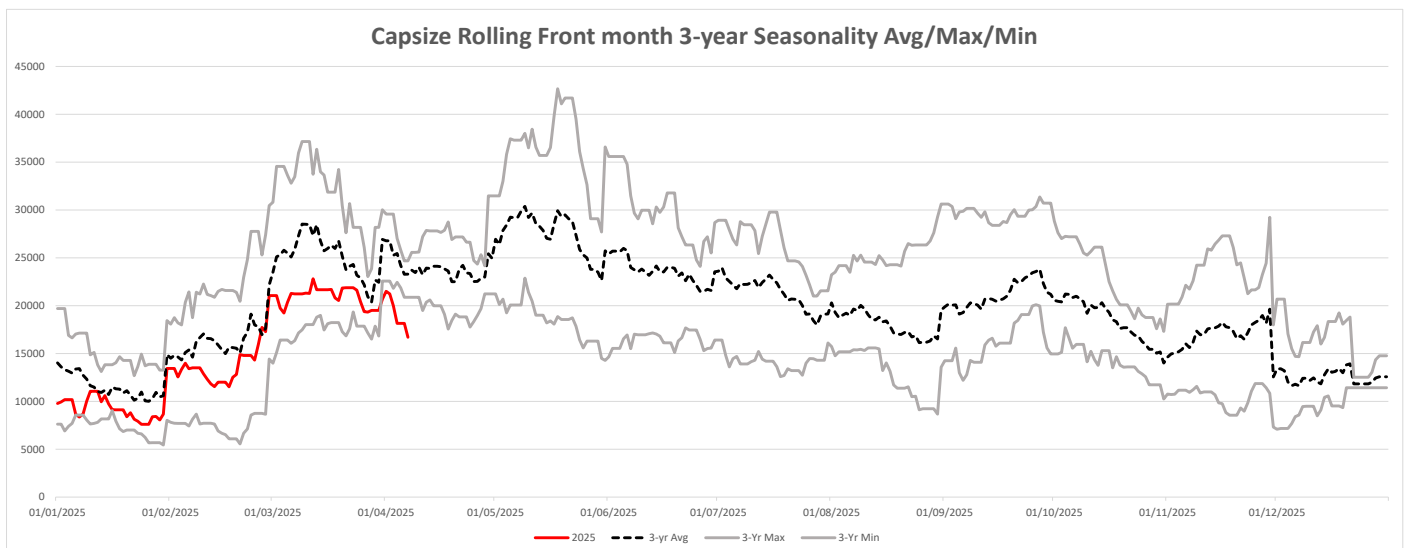


	Support	Resistance	Current Price	Bull	Bear
S1	15,700	R1	19,249		
S2	13,076	R2	21,314		RSI below 50
S3	11,009	R3	23,900		

Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is below 50
- Technically bullish last week, the roll into May meant that the futures were trading back above the 200-period MA (USD 20,248). If we closed above and hold above this level, it would warn that the USD 22,336 level could be tested and broken; if it was, 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 would leave the futures vulnerable to further tests to the downside. We could see on the chart that price had already rejected the USD 22,336 level, suggesting we were in a corrective wave C, meaning we were cautious on moves lower at that point, as our wave analysis implies that they could struggle to hold.
- The futures traded above the USD 23,250 fractal resistance; however, we rejected the USD 23,336 Fibonacci resistance for a second time, resulting in the futures selling lower. We noted in the morning technical last week that the move below the USD 19,300 fractal support indicated that we remained in the higher timeframe corrective phase. Price is below all key moving averages (and trend support) with the RSI below 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. However, if we trade below the intraday support of USD 15,650, it will warn that the Elliott wave cycle is turning neutral, warning the probability of price trading to a new high will have started to decrease
- Technically, we remain in a corrective phase. The MA on the RSI implies that momentum is weak, having acted as a resistance to the RSI. As noted in the morning technical today, Elliott wave is based on the psychological footprint of the market, which may have changed due to the higher than expected tariffs from the US. Momentum weakness and the trend break are warning that the USD 15,650 intraday support is now vulnerable.

Source Bloomberg



Capesize Q3 25

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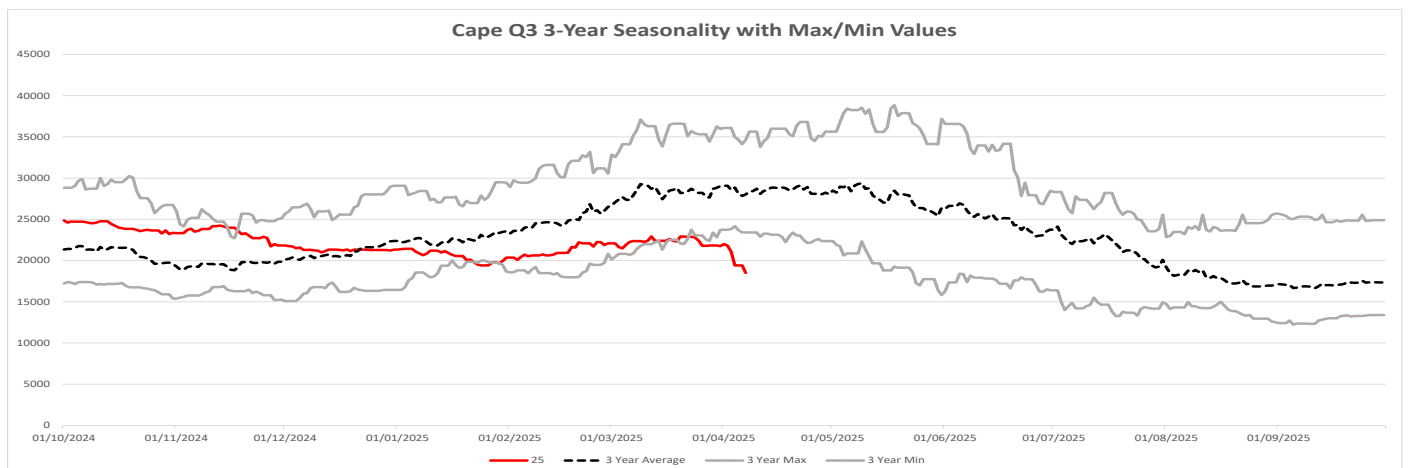


	Support	Resistance	Current Price	Bull	Bear
S1	18,025	R1	20,133	Stochastic oversold	RSI below 50
S2	16,614	R2	20,712		
S3	15,412	R3	21,524		

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (29)
- Stochastic is oversold
- Technically bullish with a neutral bias last week, the probability of the futures trading to a new high within this phase of the cycle had started to decrease, suggesting had entered a corrective Elliott wave C. Lower timeframe Elliott wave analysis was 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 would start to decrease. Key support to now follow is at USD 20,626, corrective moves that held at or above this level would 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.
- The futures continued to sell lower, resulting in price trading below the USD 21,000 fractal support, the technical is now bearish. Price has accelerated on the downside move today, due to the a global risk off sentiment in equities and commodities, on the back of an escalation in President Trumps global trade war. This is highlighted by CBOE volatility index (VIX), which is at its highest levels since the start of the pandemic. Another name for the VIX, is the fear index!
- Upside moves that fail at or below USD 21,524 will leave the futures vulnerable to further tests to the downside, above this level will the technical will have neutral bias.
- Technically bearish, the MA on the RSI implies that momentum is weak at this point. The downside continuation has resulted in the Elliott wave cycle extending to the downside, meaning upside moves should be considered as countertrend, making USD 21,524 the key resistance to follow. A move above this level will mean that the probability of the futures trading to a new low has started to decrease.



Capesize Cal 26

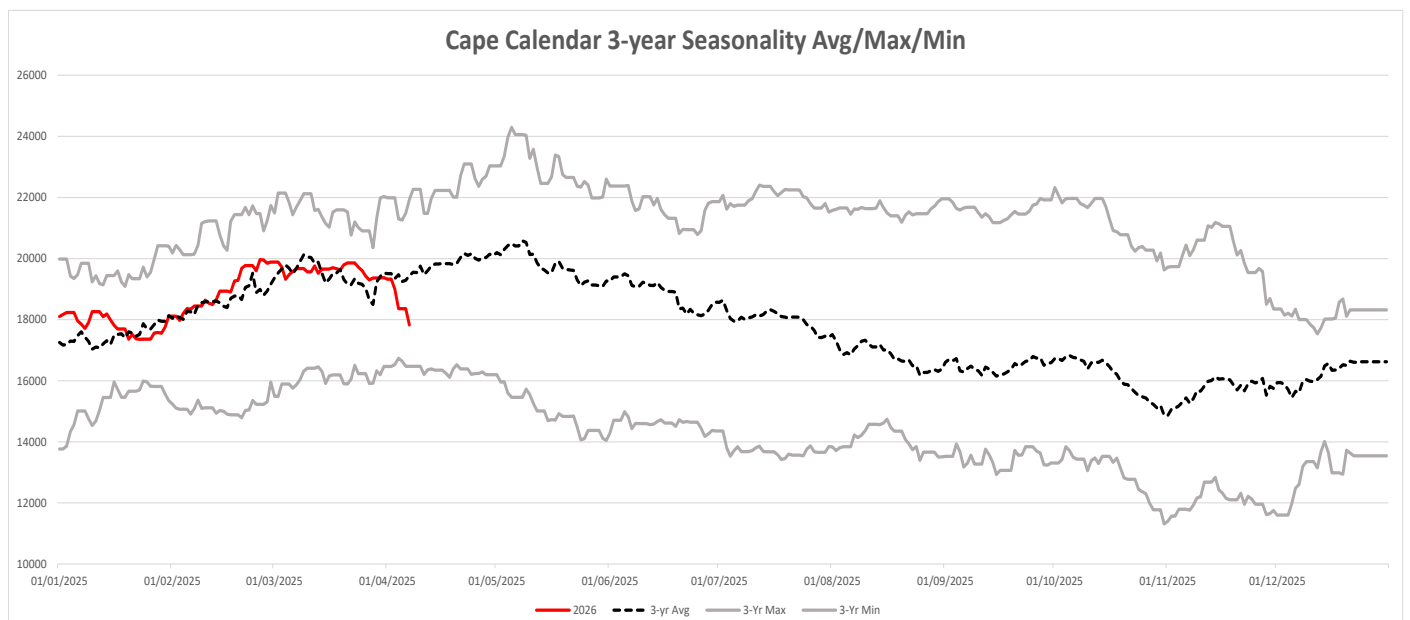


	Support	Resistance	Current Price	Bull	Bear
S1	17,530	R1	18,608	Stochastic oversold	RSI below 50
S2	17,225	R2	18,850		
S3	16,791	R3	19,178		

Source Bloomberg

Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Technically bullish but in a corrective phase last week, the MA on the RSI implied that momentum remained weak at that point. The upside rejection of the 200-period MA (USD 19,868) warned that the USD 19,000 fractal support was vulnerable, suggesting we are in a corrective Elliott wave C. If we did trade above the intraday double top (USD 19,875), it would indicate that buyside pressure was increasing, meaning the USD 20,250 fractal high could be tested and broken.
- The futures sold below the USD 19,000 fractal support and the USD 18,253 Fibonacci support, meaning the technical has a neutral bias. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 19,178 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Technically bullish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The MA on the RSI implies that momentum is weak, whilst lower timeframe Elliott wave analysis is suggesting that upside moves should be considered as countertrend, making USD 19,178 the key resistance to follow, above this level the probability of the futures trading to a new low will start to decrease.



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



	Support	Resistance	Current Price	Bull	Bear
S1	7.96	R1	8.10		RSI below 50
S2	7.44	R2			
S3	7.03	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 below the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is overbought
- Technically bearish last week, the futures remained in a corrective phase. The MA on the RSI implied that momentum remained weak at that point, warning resistance levels could hold if tested. Upside moves that failed at or below USD 9.27 would warn that there could be a larger corrective phase in play. Likewise, if broken, it would warn that the USD 9.58 fractal high could come under pressure.
- The futures did trade to a high of USD 9.31, meaning the USD 9.27 resistance was broken; however, the futures have since traded below the USD 8.68 fractal support, indicating there is a larger bearish wave cycle in play. We closed at USD 8.66 on Friday but price is lower again today. Price is below all key moving averages with the RSI below 50.
- Downside moves that hold at or above USD 7.44 will support a longer-term bull argument.
- Technically bearish, the futures have broken the USD 8.68 fractal support, whilst the MA on the RSI implies that momentum is weak. Price and the RSI are making new lows, warning upside resistance levels could hold in the near-term, suggesting support levels are still vulnerable at this point.

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