

Index

Bullish with a neutral bias, the index has seen strong buy-side support resulting in the RSI moving above 50. The depth of the pullback means that the probability of price trading to a new high has decreased; however, price is now above the 200-period MA (USD 16,892), if we hold above this level then the USD 25,567 resistance could come under pressure. If broken, the technical will be back in bull territory. A close below the weekly pivot level (USD 16,219) will indicate sell-side pressure is weakening.

Aug 25

Technically bullish, the MA on the RSI implies that momentum is supported at this point. The upside move above USD 21,365 suggests the futures have potentially entered the higher timeframe, bullish Elliott wave 5. If correct, we have a near-term upside target of USD 24,000, with the potential to trade as USD 26,385. If we do trade below USD 18,435 it will suggest that we remain in a complex corrective Elliott wave 4.

Q3 25

Technically bullish, the MA on the RSI implies that momentum is supported. The futures failed to procure and intraday move lower with price now in bullish territory, supported by the RSI making new highs. The failures to produce the final bearish wave lower supports a bullish Elliott wave argument, implying downside moves should not be considered as countertrend, making USD 18,956 the key support to follow. A move below this level will warn that the probability of the futures trading to a new high will start to decrease. We are cautious on upside breakouts above USD 21,250 in the near-term, as the 1-hour RSI could be in divergence. If it isn't, it will warn the USD 22,225 fractal resistance could come under pressure.

Cal 26

Technically bullish, the move above the USD 19,042 resistance indicates that it is less likely that there is a larger bearish Elliott wave cycle in play, suggesting downside moves should in theory be countertrend. This is supported by the strong upside move above the 200-period MA. Market bulls will need to be cautious on moves below USD 18,300, as a deep pullback into the bull wave will warn of technical weakness. We do have a note of caution on moves higher in the near-term due to the RSI looking a little overextended at 75.

C5 Aug 25

Technically bullish, the MA on the RSI implies we have light momentum support. The 6-period RSI (circled) is now starting to look overextended, warning we could see a technical pullback. However, for confirmation that price is weakening we need to see a close below the linear regression line (USD 8.69). If we do, then USD 8.13 support could come under pressure. Momentum is overextended in the near-term, but the bullish technical warns resistance levels look vulnerable over the longer-term.

Capesize Index

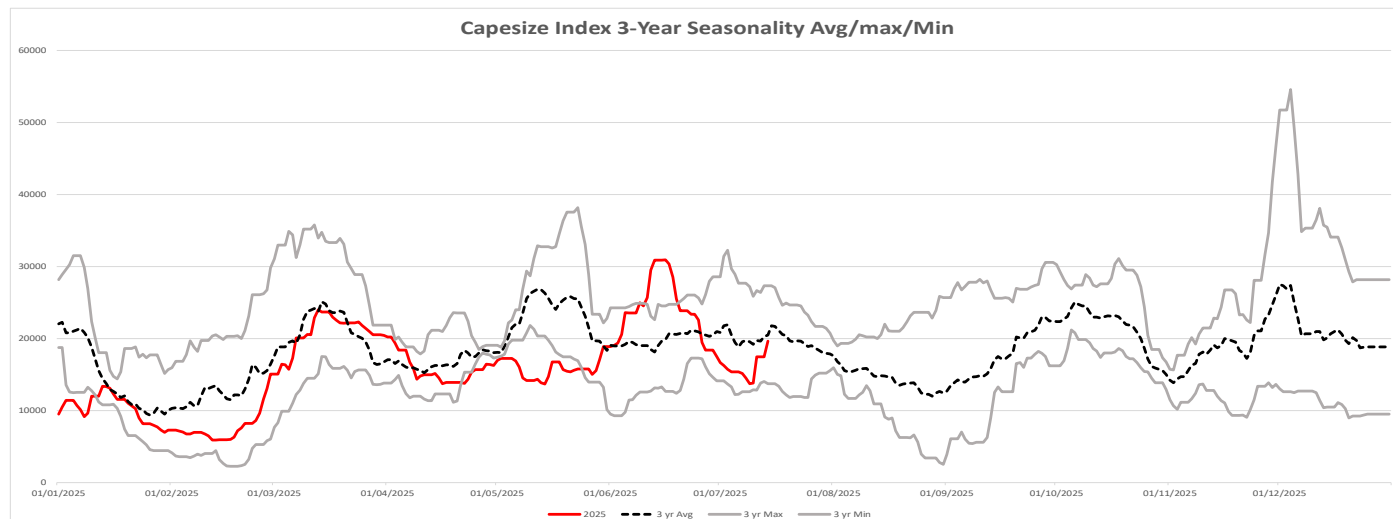


Support	Resistance	Current Price	Bull	Bear
S1	R1	19,633	Stochastic oversold	RSI above 50
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- Price is above the weekly pivot point (USD 16,207)
- We remained bullish with a neutral bias last week, the probability of price trading to a new high within this phase of the cycle continued to decrease. The MA on the RSI implied that momentum was weak at that point, whilst price was below the weekly pivot level (USD 16,091) and the 200-period MA (USD 17,155). As noted previously, faster moving momentum indicators were oversold; however, for buyside support, the futures were going to need to close and hold above the two resistance levels to avoid further downside in the near-term.
- The index sold to a low of USD 13,715 before finding strong buyside support that resulted in the futures closing above the weekly pivot level, and the 200-period MA (currently USD 16,892). We are above all key moving with the RSI near-neutral at 51.
- Momentum based on price is aligned to the buyside, a close below USD 16,219 will mean it is aligned to the sell side. Upside moves that fail at or below USD 25,567 will leave the index vulnerable to further tests to the downside, above this level, the technical will be back in bullish territory.
- Bullish with a neutral bias, the index has seen strong buyside support resulting in the RSI moving above 50. The depth of the pullback means that the probability of price trading to a new high has decreased; however, price is now above the 200-period MA (USD 16,892), if we hold above this level then the USD 25,567 resistance could come under pressure. If broken, the technical will be back in bull territory. A close below the weekly pivot level (USD 16,219) will indicate sell side pressure is weakening.



Capesize Aug 25 (1 Month forward)

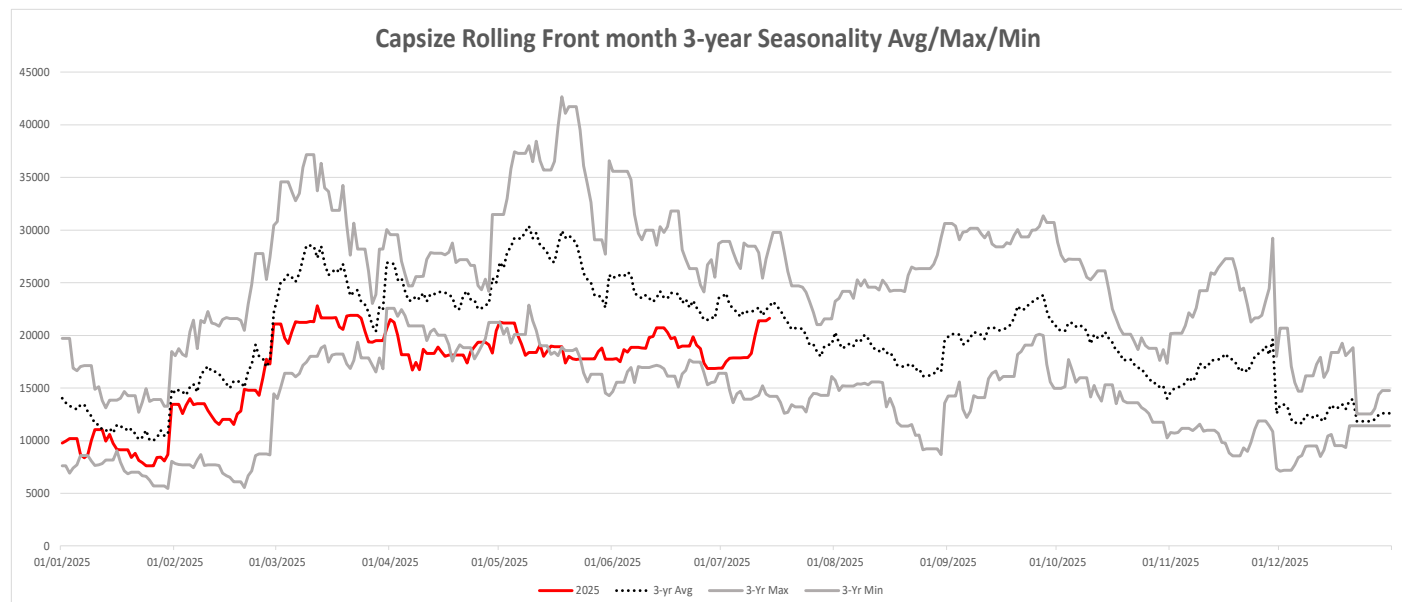


Support	Resistance	Current Price	Bull	Bear
S1	R1	21,625	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Technically bearish based on price last week, the Elliott wave cycle remained bullish above USD 15,684, and neutral below. As noted previously, the downside move in the futures to a low of USD 16,625 had been replicated by the RSI, suggesting upside moves had the potential to be countertrend in the near-term. The futures were trading on the 200-period MA (USD 17,850) whilst we had trend resistance at USD 18,041 and market profile resistance at USD 18,500 (making this the most heavily traded area based on price in the last 12 months), suggesting caution on upside moves in the near-term. However, if we trade above the USD 19,512 level, then the probability of the futures trading below USD 16,625 would start to decrease.
- The futures found strong bid support, resulting in price closing and holding above the 200-period MA (USD 17,592), the futures then went on to trade above the USD 19,512 level. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,435 will support a bull argument, below this level the technical will have a neutral bias. However, the Elliott wave cycle remains bullish above USD 15,684, and neutral below.
- Technically bullish, the MA on the RSI implies that momentum is supported at this point. The upside move above USD 21,365 suggests the futures have potentially entered the higher timeframe, bullish Elliott wave 5. If correct, we have a near term upside target of USD 24,000, with the potential to trade as USD 26,385. If we do trade below USD 18,435 it will suggest that we remain in a complex corrective Elliott wave 4.

Source Bloomberg



Capesize Q3 25

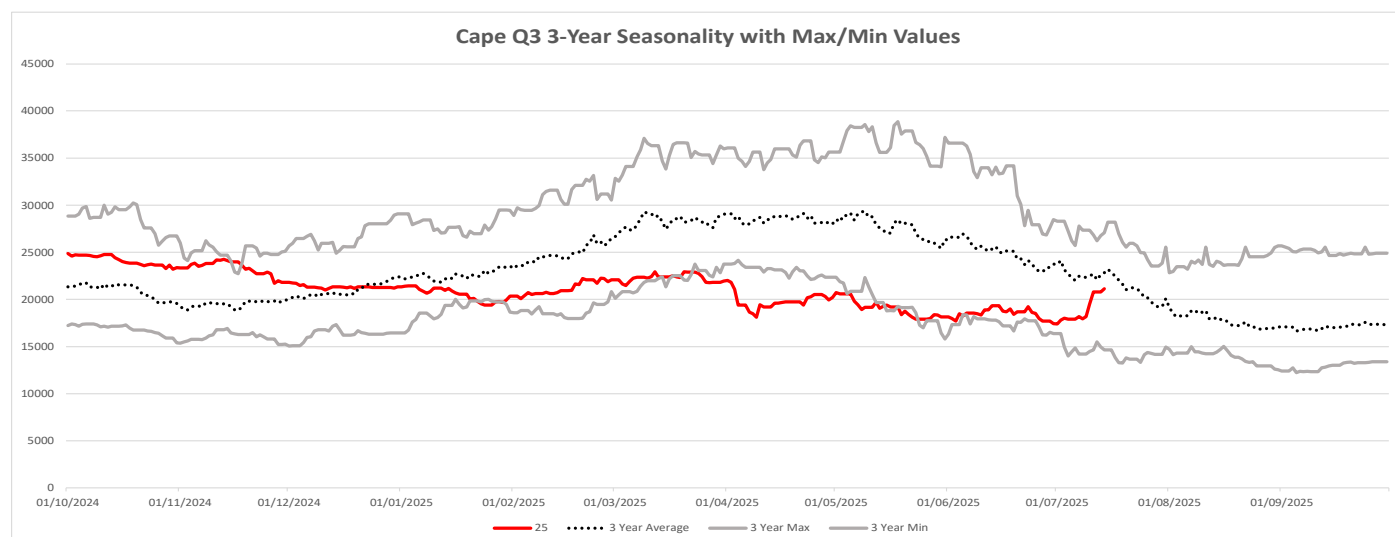


Support		Resistance		Current Price	Bull	Bear
S1	19,922	R1	22,225	21,125	RSI above 50	Stochastic overbought
S2	19,512	R2	23,250			
S3	18,956	R3	24,500			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (64)
- Stochastic is overbought
- Technically bearish last week, the futures were seeing bid support on the back of the positive divergence with the RSI; however, intraday Elliott wave analysis indicated that upside moves should be countertrend, making USD 18,640 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. Whilst below USD 18,640 we are cautious on upside moves based on the lower timeframe Elliott wave cycle.
- The futures traded above the USD 18,640 level and the USD 19,425 fractal resistance, meaning the technical is now bullish. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,956 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. The futures failed to procure and intraday move lower with price now in bullish territory, supported by the RSI making new highs. The failures to produce the final bearish wave lower supports a bullish Elliott wave argument, implying downside moves should not be considered as countertrend, making USD 18,956 the key support to follow. A move below this level will warn that the probability of the futures trading to a new high will start to decrease. We are cautious on upside breakouts above USD 21,250 in the near-term, as the 1-hour RSI could be in divergence. If it isn't, it will warn the USD 22,225 fractal resistance could come under pressure.



Capesize Cal 26

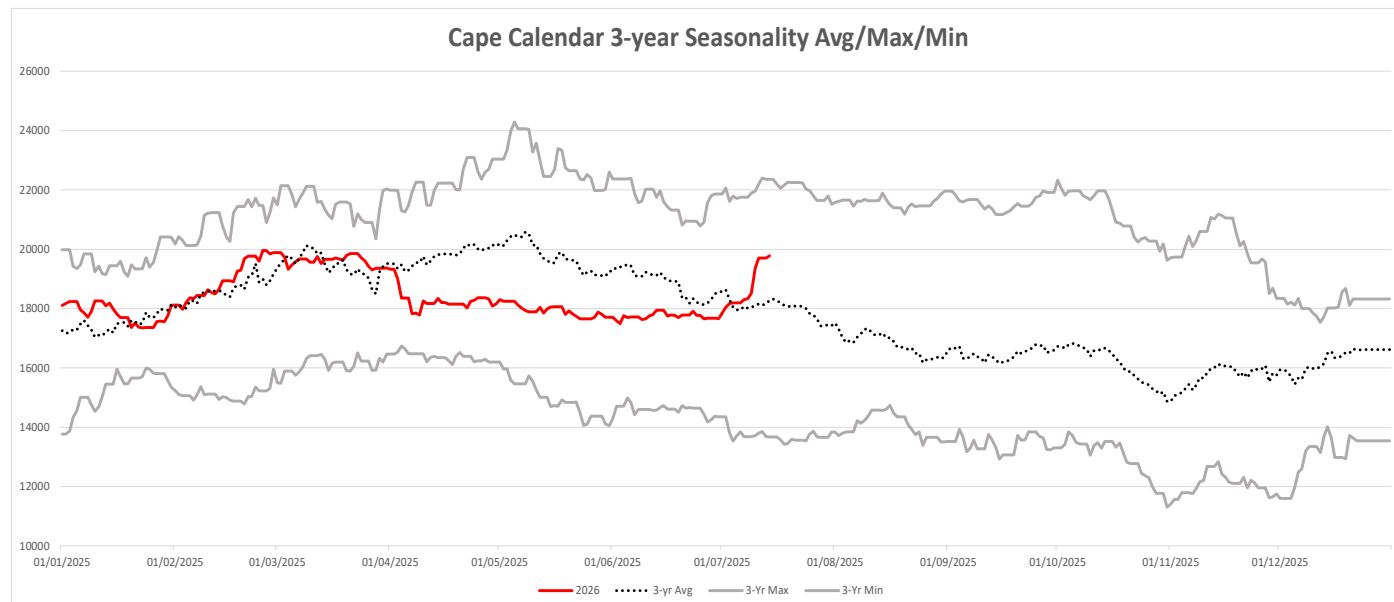


Support	Resistance	Current Price	Bull	Bear
S1	R1	19,750	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (75)
- Stochastic is overbought
- Technically bullish last week due to the move above the USD 18,400 fractal resistance. The MA on the RSI implied that momentum was supported, warning the USD 18,650—USD 19,042 resistance levels were vulnerable. Both price and the RSI were making new highs, suggesting downside moves could be countertrend, making USD 17,756 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease. buy-side pressure was increasing, meaning we are now cautious on corrective moves lower.
- The futures have broken upside resistance with price above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,300 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the move above the USD 19,042 resistance indicates that it is less likely that there is a larger bearish Elliott wave cycle in play, suggesting downside moves should in theory be countertrend. This is supported by the strong upside move above the 200-period MA. Market bulls will need to be cautious on moves below USD 18,300, as a deep pullback into the bull wave will warn of technical weakness. We do have a note of caution on moves higher in the near-term due to the RSI looking a little overextended at 75.



Capesize C5 Aug 25 (Rolling Front Month Heiken Ashi Chart)



Support		Resistance		Current Price	Bull	Bear
S1	8.53	R1	9.25	9.20	RSI above 50	Stochastic overbought
S2	8.13	R2	9.63			
S3	7.44	R3	10.17			

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 at (60)
- Stochastic is overbought
- Technically bearish last week, having been overextended to the downside, the futures were moving higher having held the USD 7.44 support. We were testing the USD 8.50 resistance whilst the RSI was at resistance, meaning we were at an inflection point. If we closed above USD 8.50, it would warn that the USD 8.95 fractal high could be tested and broken. Conversely, a rejection would warn we could see another test to the downside. Whilst below USD 8.50 we are cautious on upside moves.
- The futures closed above the USD 8.50 level resulting in the USD 8.95 fractal resistance being broken, the technical is now bullish. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 8.13 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies we have light momentum support. The 6-period RSI (circled) is now starting to look overextended, warning we could see a technical pullback. However, for confirmation that price is weakening we need to see a close below the linear regression line (USD 8.69). If we do, then USD 8.13 support could come under pressure. Momentum is overextended in the near-term, but the bullish technical warns resistance levels look vulnerable over the longer-term.