



Capesize Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Index

Technically bullish due to the USD 25,567 resistance being breached. The MA on the RSI implies momentum is supported; however, the index has turned today, warning the weekly pivot at USD 23,594 could come under pressure. A close below this level will imply sell side pressure is increasing, leaving the Fibonacci support zone vulnerable. Downside moves below USD 17,747 will suggest that the probability of the futures trading to a new high has started to decrease. Conversely, if we hold above the USD 23,594 level, it will support a buyer's argument. Price has turned but momentum remains supported, meaning we will have to see more downside to convince this could be a deep corrective phase.

Aug 25

Technically bullish, the MA on the RSI implies that momentum is supported. The intraday technical had warned that we could enter a corrective phase due to signs of distribution in the market, resulting in price moving lower. However, our Elliott wave analysis is suggesting downside moves should be considered as countertrend. A close below the low of the last dominant bull candle (USD 20,850) will indicate that sell side pressure is increasing, warning the USD 19,430 Fibonacci support could come under pressure. If broken, then the probability of the futures trading to a new high will start to decrease.

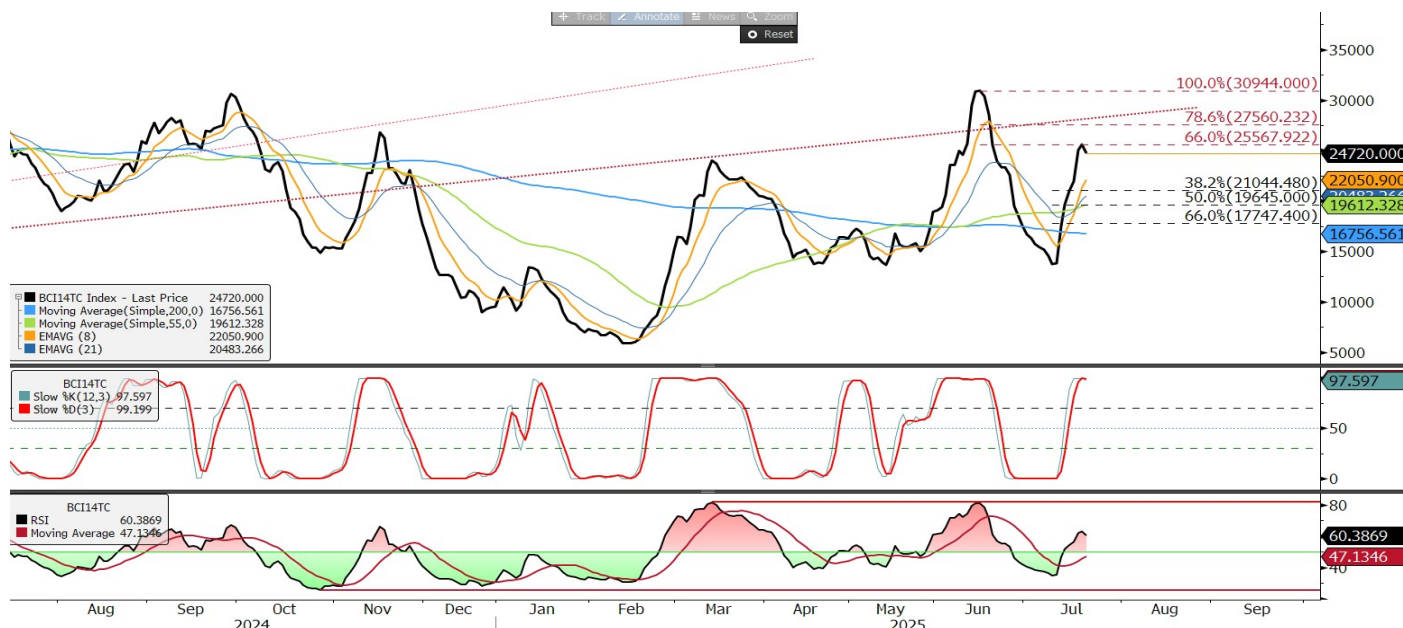
Q4 25

Technically bullish, the MA on the RSI implies that momentum remains supported. Elliott wave analysis implies that downside moves should be considered as countertrend, whilst price and the RSI have made a new high, supporting the wave cycle. A close below the low of the last dominant bull candle (USD 22,825) will indicate that sell side pressure is increasing, warning the Fibonacci support zone could come under pressure. If we do trade below USD 20,730, then the probability of the futures trading to a new high would start to decrease.

Cal 26

Technically bullish, the MA on the RSI implies that momentum is supported. Elliott wave analysis suggests that downside moves should be considered as countertrend, whilst a close below the low of the last dominant bull candle (USD 19,500) will indicate that sell side pressure is increasing. If we do trade below USD 18,368, then the probability of the futures trading to a new high will start to decrease. We are seeing signs of weakness; however, price has not confirmed that we are in a corrective Elliott wave 4 at this point, meaning we will need to see more downside to convince of technical weakness.

Capesize Index

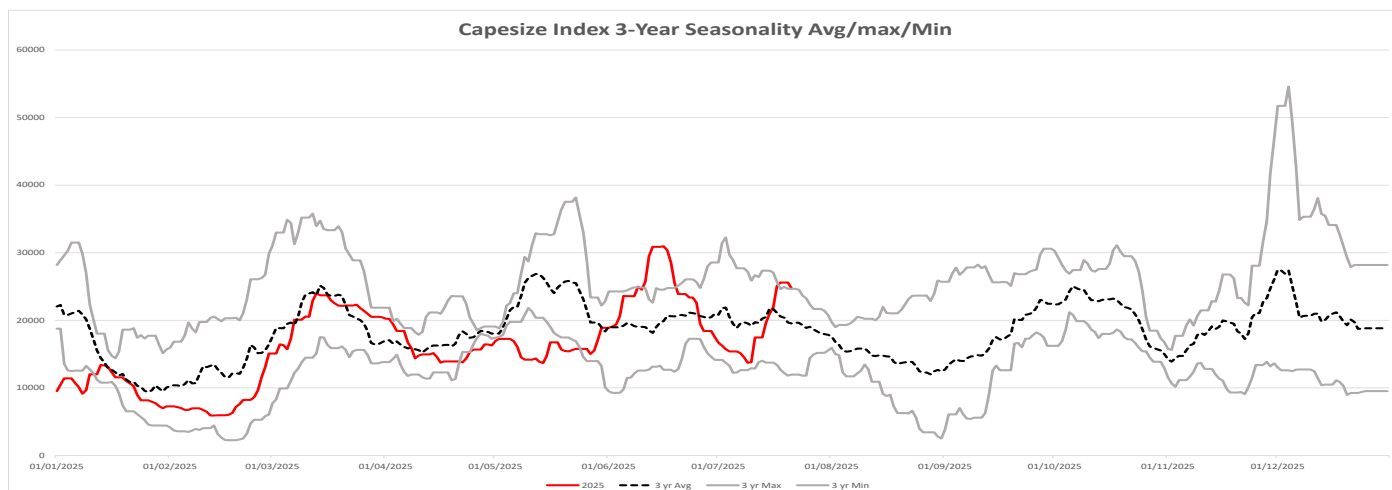


Support	Resistance	Current Price	Bull	Bear
S1	21,044	R1	25,567	RSI above 50
S2	19,645	R2	27,560	
S3	17,747	R3	30,944	

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 23,594)
- Bullish with a neutral bias last week, the index had seen strong buy-side support resulting in the RSI moving above 50. The depth of the pullback meant that the probability of price trading to a new high had decreased; however, price was above the 200-period MA (USD 16,892), if we held above this level then the USD 25,567 resistance could come under pressure. If broken, the technical would be back in bull territory. A close below the weekly pivot level (USD 16,219) would indicate sell-side pressure is weakening.
- The index held above the 200-period MA (USD 16,756), resulting in price trading to a high of USD 25,575, meaning the technical is back in bullish territory. We are above all key moving averages supported by the RSI above 50.
- Momentum based on price is aligned to the buy-side, a close below USD 24,264 will mean it is aligned to the sell-side. Downside moves below USD 17,747 will be considered as deep into the current bull wave, meaning the technical will have a neutral bias.
- Technically bullish due to the USD 25,567 resistance being breached. The MA on the RSI implies momentum is supported; however, the index has turned today, warning the weekly pivot at USD 23,594 could come under pressure. A close below this level will imply sell-side pressure is increasing, leaving the Fibonacci support zone vulnerable. Downside moves below USD 17,747 will suggest that the probability of the futures trading to a new high has started to decrease. Conversely, if we hold above the USD 23,594 level, it will support a buyer's argument. Price has turned but momentum remains supported, meaning we will have to see more downside to convince this could be a deep corrective phase.



Capesize Aug 25 (1 Month forward)

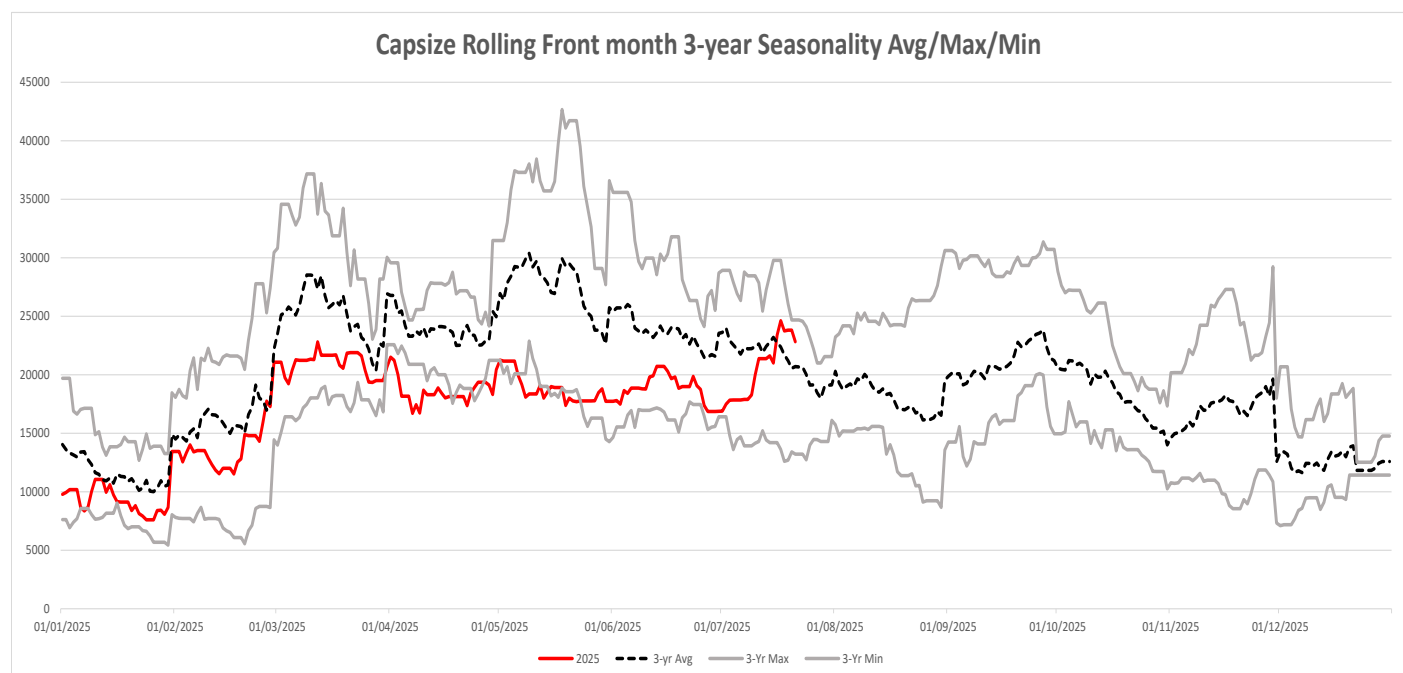


	Support	Resistance	Current Price	Bull	Bear
S1	21,723	R1	26,385	RSI above 50	Stochastic overbought
S2	19,430	R2	29,140		
S3	16,625	R3	32,650		

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum was supported at that point. The upside move above USD 21,365 suggested that the futures had potentially entered the higher timeframe, bullish Elliott wave 5. If correct, we had a near term upside target of USD 24,000, with the potential to trade as USD 26,385. If we did trade below USD 18,435 it would suggest that we remained in a complex corrective Elliott wave 4.
- The futures traded to a high of USD 24,875, confirming we had entered a bullish impulse Elliott wave 5. We have now entered a corrective phase but remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 19,430 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 intraday technical had warned that we could enter a corrective phase due to signs of distribution in the market, resulting in price moving lower. However, our Elliott wave analysis is suggesting downside moves should be considered as countertrend. A close below the low of the last dominant bull candle (USD 20,850) will indicate that sell side pressure is increasing, warning the USD 19,430 Fibonacci support could come under pressure. If broken, then the probability of the futures trading to a new high will start to decrease.

Source Bloomberg



Capesize Q4 25

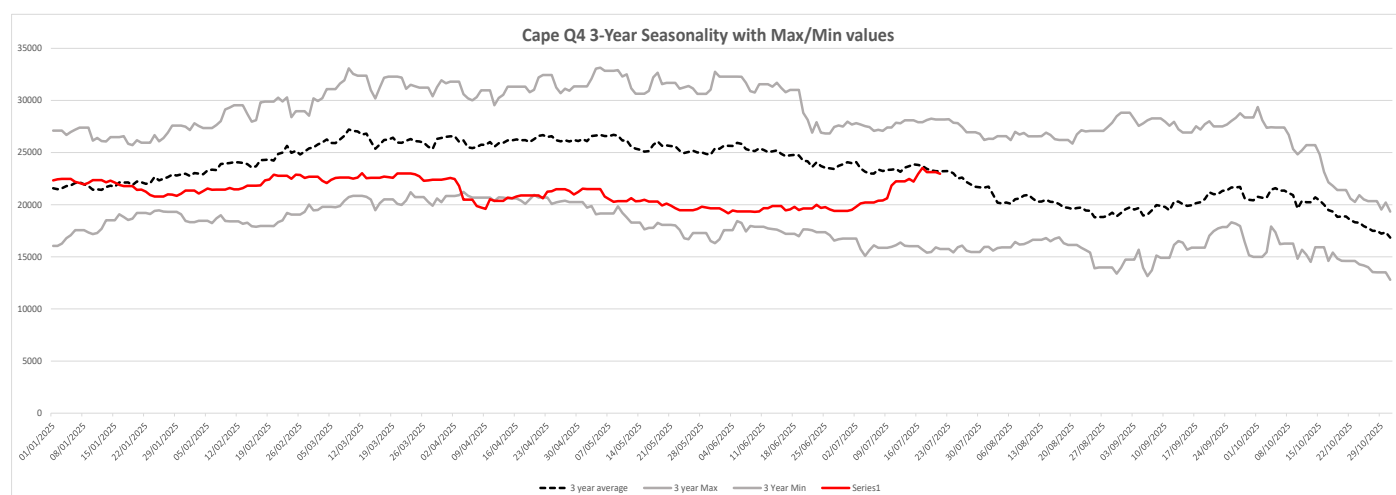


Support		Resistance		Current Price	Bull	Bear
S1	21,981	R1	23,481	23,050	RSI above 50	Stochastic overbought
S2	21,450	R2	23,900			
S3	20,730	R3	24,318			

Synopsis

Source Bloomberg

- 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. The futures had previously failed to produce an intraday move lower with price moving into bullish territory, supported by the RSI making new highs. The failure to produce the final bearish wave lower supported a bullish Elliott wave argument, implying downside moves should be considered as countertrend, making USD 18,956 the key support to follow. A move below this level would warn that the probability of the futures trading to a new high would start to decrease. We were cautious on upside breakouts above USD 21,250 in the near-term, as the 1-hour RSI could be in divergence. If it wasn't, it would warn the USD 22,225 fractal resistance could come under pressure.
- The futures moved higher with price failing to produce a negative divergence with the 1-hour RSI, resulting in price trading to a high of USD 23,875 before entering a corrective phase. As we are past the mid-point in July, we are now pricing the Q4-25 futures. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 20,730 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 remains supported. Elliott wave analysis implies that downside moves should be considered as countertrend, whilst price and the RSI have made a new high, supporting the wave cycle. A close below the low of the last dominant bull candle (USD 22,825) will indicate that sell side pressure is increasing, warning the Fibonacci support zone could come under pressure. If we do trade below USD 20,730, then the probability of the futures trading to a new high would start to decrease.



Capesize Cal 26

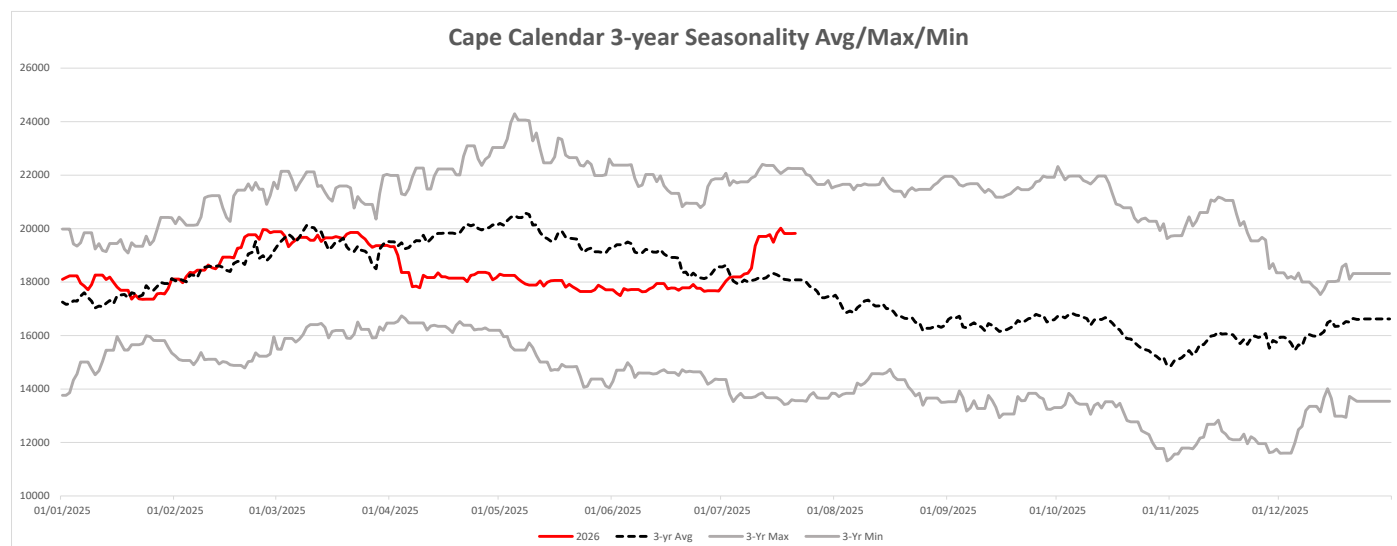


Support	Resistance	Current Price	Bull	Bear
S1	R1	19,825	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (67)
- Stochastic is overbought
- Technically bullish last week, the move above the USD 19,042 resistance indicated that it was less likely that there was a larger bearish Elliott wave cycle in play, suggesting downside moves should in theory be countertrend. This was supported by the strong upside move above the 200-period MA. Market bulls would need to be cautious on moves below USD 18,300, as a deep pullback into the bull wave would warn of technical weakness. We did have a note of caution on moves higher in the near-term due to the RSI looking a little overextended at 75.
- The futures traded to a high of USD 20,200 before entering a corrective phase, meaning the technical is now bullish. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 18,368 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. Elliott wave analysis suggests that downside moves should be considered as countertrend, whilst a close below the low of the last dominant bull candle (USD 19,500) will indicate that sell side pressure is increasing. If we do trade below USD 18,368, then the probability of the futures trading to a new high will start to decrease. We are seeing signs of weakness; however, price has not confirmed that we are in a corrective Elliott wave 4 at this point, meaning we will need to see more downside to convince of technical weakness.



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



Support		Resistance		Current Price	Bull	Bear
S1	8.93	R1	9.63	9.37.5	RSI above 50	Stochastic overbought
S2	8.35	R2	10.17			
S3	7.64	R3	10.87			

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 (62)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that we had light momentum support. The 6-period RSI (circled) was starting to look overextended, warning we could see a technical pullback. However, for confirmation that price was weakening, we needed to see a close below the linear regression line (USD 8.69). If we did, then USD 8.13 support could come under pressure. Momentum was overextended in the near-term, but the bullish technical warned that resistance levels look vulnerable over the longer-term.
- The futures failed to close below the linear regression line (currently USD 8.82), resulting in price trading to high of USD 9.74 before entering a corrective phase. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 8.35 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies momentum is supported. The futures have entered a small corrective phase; a close below the linear regression line (USD 8.82) will warn that sell side pressure is increasing, leaving the Fibonacci support zone vulnerable. Below USD 8.35 the pullback will be considered as deep, meaning the probability of the futures trading to a new high will start to decrease. The RSI has made a new high with price, suggesting downside moves have the potential to be countertrend. If the 6-period RSI (bottom window) starts seeing buy-side support at or above the 41—33.5 area, it will warn that resistance levels could come under pressure.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com