



Capesize Technical Report

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

Index

Technically bullish, the MA on the RSI indicates that we have light momentum support, whilst price is above USD 25,140 fractal resistance and the weekly pivot level (USD 25,025), implying buy-side pressure is increasing. A close above the linear regression line (USD 26,801) will further support a bull argument, warning the USD 28,715 resistance could be tested and broken. This is a key level on the technical, if rejected it will suggest that there could be a larger, bearish Elliott wave correction in play. Conversely, a close below the MPB level will indicate buy-side pressure is decreasing, whilst below the weekly pivot level will suggest sell-side pressure is increasing. Whilst above the USD 25,025 level, the USD 26,801 and USD 28,715 resistance levels are vulnerable.

Oct 25

Technically bullish, the upside tests around the USD 29,500 fractal high are failing to hold, suggesting we are seeing either distribution in the market, or fresh shorts entering just below the USD 29,500 high. As noted last week, above USD 29,500 the futures will be in divergence with the RSI, warning we could see a momentum slowdown, meaning we remain cautious on upside moves above this level.

Q4 25

Technically bullish, the MA on the RSI implies that momentum remains weak. As noted previously, we have confirmed that we have entered the higher timeframe corrective phase. However, the pullback remains shallow, meaning we have a note of caution on an upside breakout above USD 27,550 at this point, as price will be in divergence with the RSI. A cautious bull, from a technical perspective, we would like to see a deeper pullback before making a new high.

Cal 26

Technically bullish, the RSI remains in divergence, warning we could see a momentum slowdown. Downside moves below USD 20,961 will indicate that buy-side momentum is weakening, whilst below USD 20,375 will warn that price is entering a higher timeframe corrective phase. Based on the lower timeframe Elliott wave extension previously, we maintain our view that downside moves should be considered as countertrend. We continue to be cautious on upside moves at these levels due to the divergence in play. A cautious bull.

C5 Oct 25

Technically bullish, the MA on the RSI implies that momentum is weak at this point. The futures are now below this week's pivot level (USD 10.20), warning the linear regression support at USD 9.89 is now starting to look vulnerable; a close below this level will weaken the technical further. However, the ADX at 28 continues to suggest that we are in a trending environment, warning downside moves look like they could be countertrend. We are seeing momentum weakness, warning support could come under pressure, if we trade below USD 9.80 price will be bearish based on the lower low.

Capesize Index

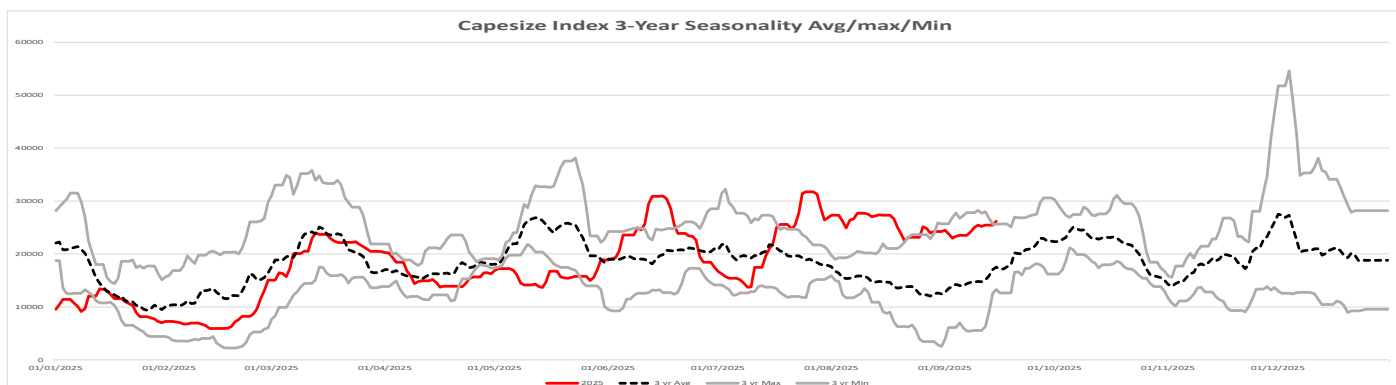


Support	Resistance	Current Price	Bull	Bear
S1	R1	26,156	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 25,024)
- Technically bullish but in a corrective phase last week, the index was above the weekly pivot point (USD 23,654), countering this, the MA on the RSI implied that momentum was weak. Whilst above the weekly pivot level, the USD 25,140 fractal resistance was vulnerable, a close above that held above the linear regression line (USD 26,504) would indicate buy-side pressure was increasing; conversely, a rejection of this level, or a close below USD 23,654 would leave support levels vulnerable. Upside moves that rejected the USD 28,715 Fibonacci resistance would warn the corrective phase was becoming more complex, meaning we had the potential to see further downside. The USD 25,140 resistance was vulnerable in the near-term; however, having failed to trade to a new low, we were cautious on upside moves whilst below the USD 28,715 resistance, as higher moves could struggle to hold.
- The index remained above the weekly pivot level resulting in price moving higher. 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 25,483 will mean it is aligned to the sell side. Downside moves below USD 19,848 will be considered as deep into the current bull wave, meaning the technical will have a neutral bias.
- Technically bullish, the MA on the RSI indicates that we have light momentum support, whilst price is above USD 25,140 fractal resistance and the weekly pivot level (USD 25,025), implying buy-side pressure is increasing. A close above the linear regression line (USD 26,801) will further support a bull argument, warning the USD 28,715 resistance could be tested and broken. This is a key level on the technical, if rejected it will suggest that there could be a larger, bearish Elliott wave correction in play. Conversely, a close below the MPB level will indicate buy-side pressure is decreasing, whilst below the weekly pivot level will suggest sell-side pressure is increasing. Whilst above the USD 25,025 level, the USD 26,801 and USD 28,715 resistance levels are vulnerable.



Capesize Oct 25 (1 Month forward)

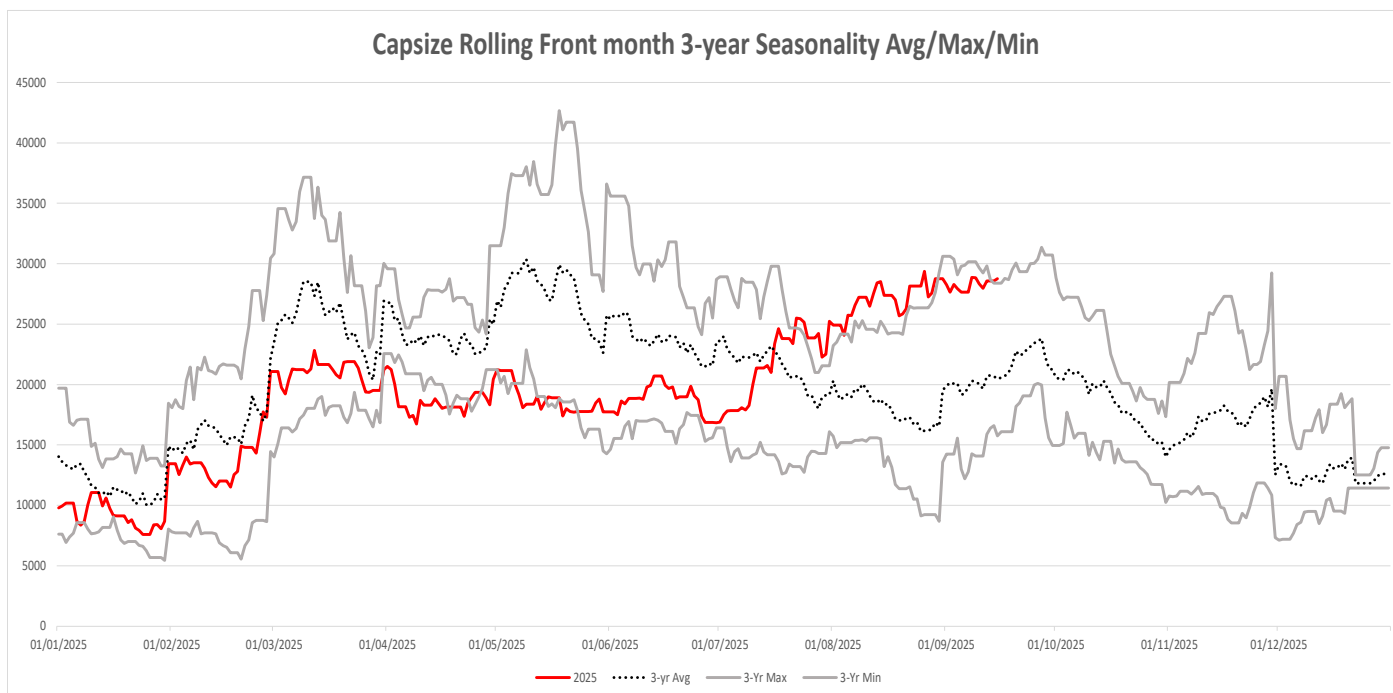


Support		Resistance		Current Price	Bull	Bear
S1	24,581	R1	29,500	28,700	RSI above 50	
S2	23,062	R2	29,842			
S3	21,002	R3	31,950			

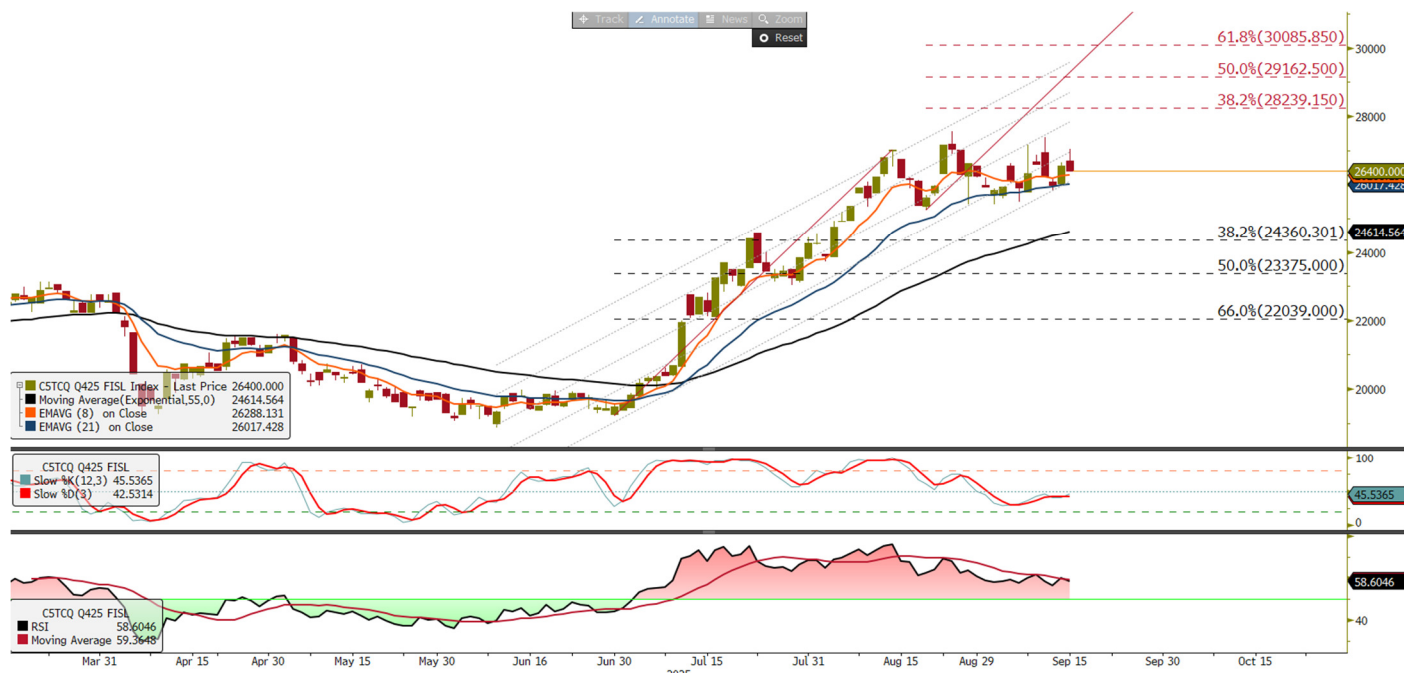
Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is above 50
- Technically bullish last week, the futures remained supported with our Elliott wave analysis suggesting downside moves should be considered as countertrend. The move higher warned that resistance levels were vulnerable; however, as noted previously, we had two divergences in play, meaning we were cautious on upside breakouts above USD 29,500, as momentum suggests they could struggle to hold.
- The futures continue to find support on the 21-period EMA, we have traded up to USD 29,500 but not above it. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 21,002 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the upside tests around the USD 29,500 fractal high are failing to hold, suggesting we are seeing either distribution in the market, or fresh shorts entering just below the USD 29,500 high. As noted last week, above USD 29,500 the futures will be in divergence with the RSI, warning we could see a momentum slowdown, meaning we remain cautious on upside moves above this level.

Source Bloomberg



Capesize Q4 25

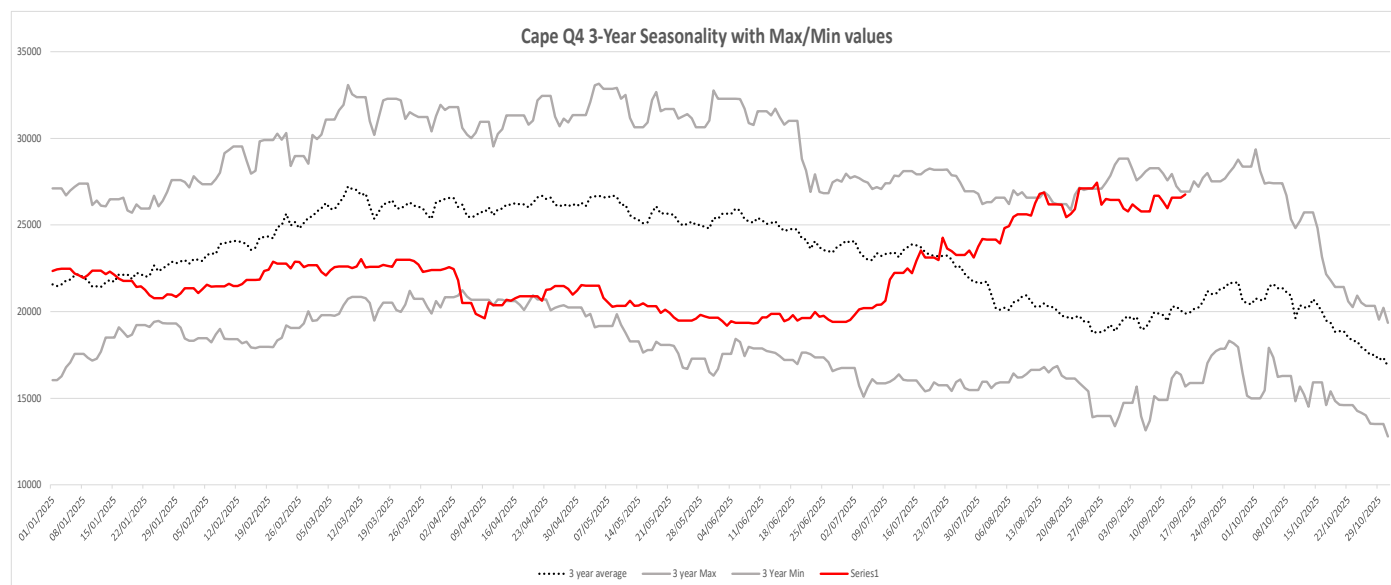


Support	Resistance	Current Price	Bull	Bear
S1	R1	26,550	RSI above 50	
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is below 50
- Technically bullish last week, the futures remained supported with price confirming that we had entered the higher timeframe corrective phase. We noted that if we traded above USD 27,550, then we had a potential upside target at USD 30,085. However, a new high would create a second negative divergence with the RSI, warning buyside momentum could slow down. Although we had confirmed that we had entered the higher timeframe corrective phase, the pullback was considered as shallow, meaning we would have a note of caution on an upside breakout above USD 27,550. A cautious bull, from a technical perspective, we would like to see a deeper pullback before making a new high.
- The futures traded to a high of USD 27,375 before coming under light selling pressure. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 22,039 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 weak. As noted previously, we have confirmed that we have entered the higher timeframe corrective phase. However, the pullback remains shallow, meaning we have a note of caution on an upside breakout above USD 27,550 at this point, as price will be in divergence with the RSI. A cautious bull, from a technical perspective, we would like to see a deeper pullback before making a new high.



Capesize Cal 26

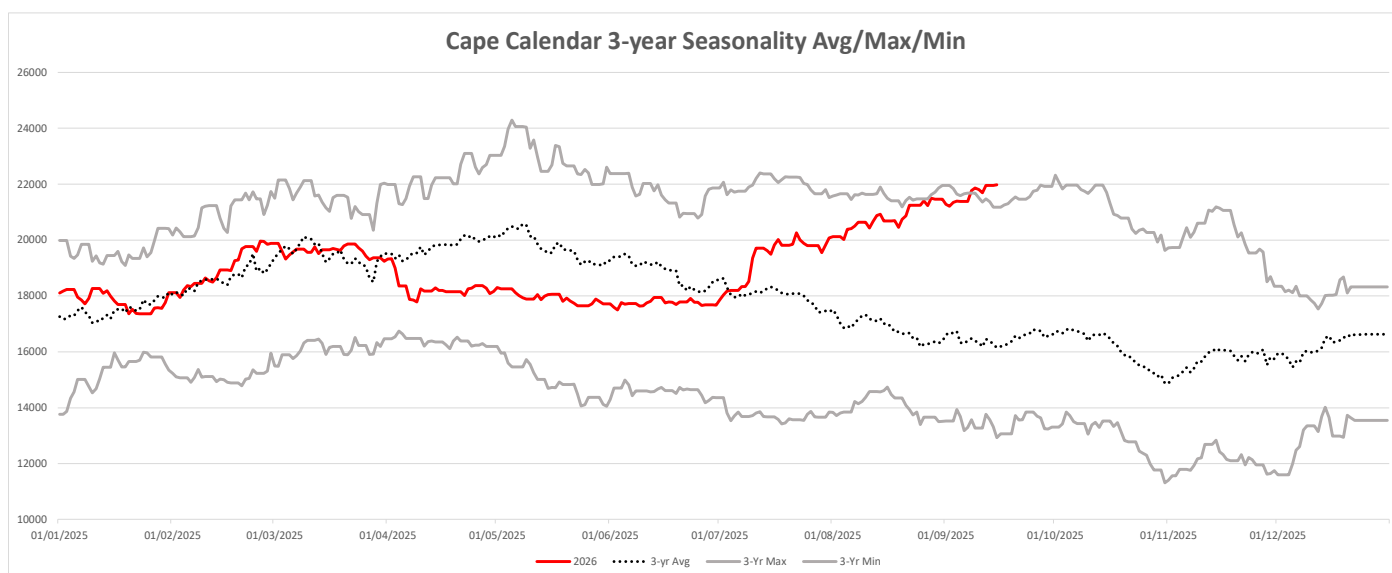


Support		Resistance		Current Price	Bull	Bear
S1	21,441	R1	22,454	21,975	RSI above 50	Stochastic overbought
S2	20,961	R2	23,012			
S3	20,375	R3	23,298			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (68)
- Stochastic is overbought
- Technically bullish last week, the new high meant that price and the RSI were once again divergent, warning we could see a momentum slowdown, meaning we continued to have a note of caution on upside moves at that point. Downside moves below USD 20,851 would indicate that buy-side momentum was weakening, whilst below USD 20,375 would warn that price is entering a higher timeframe corrective phase. Based on the lower timeframe Elliott wave extension previously, we maintained our view that downside moves should be considered as countertrend.
- The futures are now consolidating USD 200 above last week's high. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 19,014 will support a longer-term bull argument, below this level the longer-term Elliott wave cycle will have a neutral bias.
- Technically bullish, the RSI remains in divergence, warning we could see a momentum slowdown. Downside moves below USD 20,961 will indicate that buy-side momentum is weakening, whilst below USD 20,375 will warn that price is entering a higher timeframe corrective phase. Based on the lower timeframe Elliott wave extension previously, we maintain our view that downside moves should be considered as countertrend. We continue to be cautious on upside moves at these levels due to the divergence in play. A cautious bull.



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



Support		Resistance		Current Price	Bull	Bear
S1	9.89	R1	10.72	10.15	RSI above 50	
S2	9.80	R2	10.87			
S3	9.54	R3	11.74			

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 between the 8-21 period EMA's
- RSI is above 50 (54)
- Stochastic is below 50
- Technically bullish last week, the futures were finding bid support with price above the weekly pivot level (USD 10.09). The ADX had moved lower but remained at 40, implying there was still an underlying strength in the trend, meaning downside moves were still looking like they could be countertrend; this also warned that resistance remains vulnerable. However, above USD 10.72 we would be in divergence with the RSI, meaning we had a note of caution on upside breakouts at that point. Market buyer's should be cautious on a close back below the weekly pivot level, as it would indicate that sell side pressure is increasing.
- The futures have seen a small move lower with price now between the 8-21 period EMA's, the RSI remains above 50.
- Downside moves that hold at or above USD 8.68 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 weak at this point. The futures are now below this weeks pivot level (USD 10.20), warning the linear regression support at USD 9.89 is now starting to look vulnerable; a close below this level will weaken the technical further. However, the ADX at 28 continues to suggest that we are in a trending environment, warning downside moves look like they could be countertrend. We are seeing momentum weakness, warning support could come under pressure, if we trade below USD 9.80 price will be bearish based on the lower low.

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