



Capesize Technical Report

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Index

Technically bullish, the MA on the RSI implies momentum is supported; however, we are potentially in the process of rejecting the USD 28,715 resistance. If we do, it will warn that the corrective phase is becoming more complex. A close below the weekly pivot level (USD 27,721) will indicate sell side pressure is increasing, warning support levels could come under pressure. Conversely, a move above USD 28,715 will warn that the probability of the futures trading to a new low has started to decrease. The index has turned but remains above the weekly pivot and linear regression (USD 27,721—USD 27,341), for downside continuation, we will need to close below this support zone.

Oct 25

Technically bullish, the MA on the RSI implies we have light momentum support. The new high means the futures are in divergence with the RSI, warning we could see a momentum slowdown, whilst a daily close below USD 29,500 will put price back below the resistance line. The technical is bullish, but due to the intraday and daily divergences in play, we remain cautious on upside moves, as the technical suggests that they could struggle to hold.

Q4 25

Technically bullish, the futures are in divergence with the RSI, warning buy-side momentum could slow, meaning we are cautious on upside moves at these levels. However, the new high has created a lower timeframe Elliott wave extension (we didn't see this on the lower timeframe intraday candles, as the jump in intraday candle period/time has been significantly bigger than the movement in price); however, what this does mean is that downside moves are once again considered as countertrend, making USD 22,073 the key support to follow. Below this level the probability of the futures trading to a new high will start to decrease. A cautious bull.

Cal 26

Unchanged on the technical this week, we remain bullish but in divergence with the RSI, warning we could see a momentum slowdown. Downside moves below USD 21,029 will indicate that buy-side momentum was 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 RSI is back above its moving average with price currently trading around the weekly pivot level (USD 10.34). A close above this level will imply that momentum is supported, warning the USD 10.72 fractal high could come under pressure. Conversely, a close below it will warn that the linear regression support at USD 10.01 could be tested. This is a key level on the technical, whilst above it, resistance remains vulnerable. As noted previously, the ADX suggests that downside moves should be considered as countertrend; however, above USD 10.72 the futures have the potential to be in divergence with the RSI, meaning we are cautious on moves above this level in the near-term. Supported, the divergence threat means that upside moves have the potential to be limited. The weekly pivot level is in play, the next couple of sessions should give an idea of how supported the market is.

Capesize Index

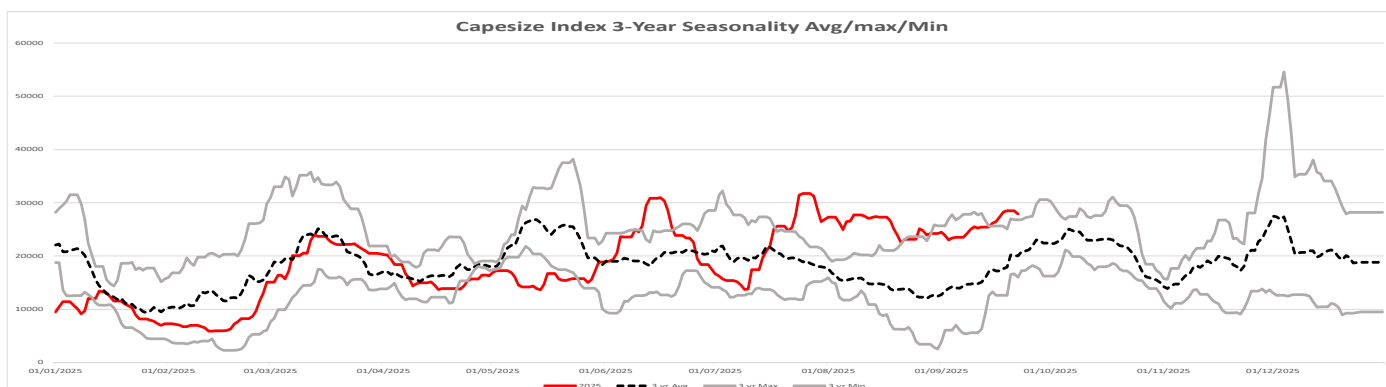


| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|--------------|-----------------------|
| S1 | 27,341 | R1 | 28,715 | Stochastic overbought |
| S2 | 22,735 | R2 | 32,030 | |
| S3 | 19,848 | R3 | 35,681 | |
| | | 27,903 | RSI above 50 | |

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 27,721)
- Technically bullish last week, the MA on the RSI indicated that we had light momentum support, whilst price was above USD 25,140 fractal resistance and the weekly pivot level (USD 25,025), implying buyside pressure was increasing. A close above the linear regression line (USD 26,801) would further support a bull argument, warning the USD 28,715 resistance could be tested and broken. This was a key level on the technical, if rejected it would suggest that there could be a larger, bearish Elliott wave correction in play. Conversely, a close below the MPB level would indicate buyside pressure was decreasing, whilst below the weekly pivot level it would suggest sell side pressure was increasing. Whilst above the USD 25,025 level, the USD 26,801 and USD 28,715 resistance levels are vulnerable.
- The index has traded to a high of USD 28,504 before seeing light pullback. We are above all key moving averages supported by the RSI above 50.
- Momentum based on price is aligned to the sell side, a close above USD 27,957 will mean it is aligned to the buyside 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 implies momentum is supported; however, we are potentially in the process of rejecting the USD 28,715 resistance. If we do, it will warn that the corrective phase is becoming more complex. A close below the weekly pivot level (USD 27,721) will indicate sell side pressure is increasing, warning support levels could come under pressure. Conversely, a move above USD 28,715 will warn that the probability of the futures trading to a new low has started to decrease. The index has turned but remains above the weekly pivot and linear regression (USD 27,721—USD 27,341), for downside continuation, we will need to close below this support zone.



Capesize Oct 25 (1 Month forward)

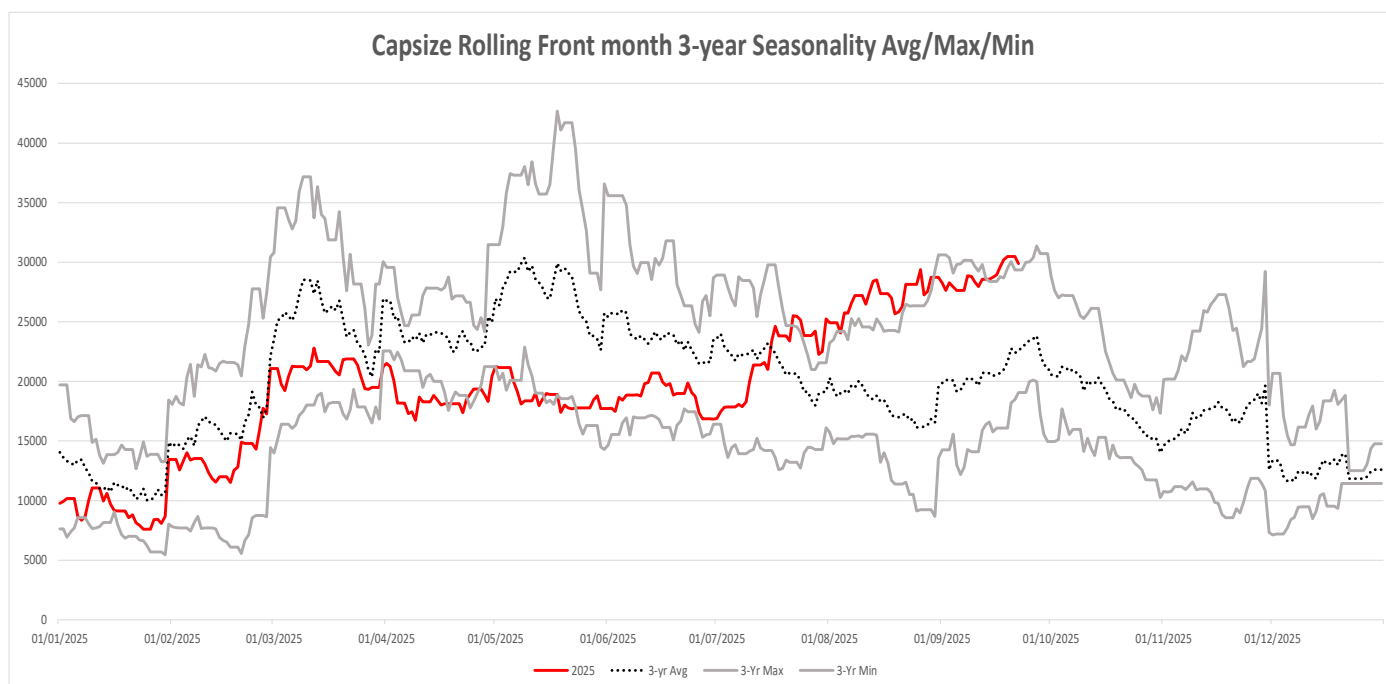


| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 29,500 | R1 | 31,950 | RSI above 50 | Stochastic overbought |
| S2 | 27,587 | R2 | 34,609 | | |
| S3 | 25,277 | R3 | 35,712 | | |

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Technically bullish last week, the upside tests around the USD 29,500 fractal high were 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 previously, above USD 29,500 the futures would be in divergence with the RSI, warning we could see a momentum slowdown, meaning we remained cautious on upside moves above this level.
- The futures have traded to a high of USD 30,625 before seeing a light pullback. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 21,385 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 new high means the futures are in divergence with the RSI, warning we could see a momentum slowdown, whilst a daily close below USD 29,500 will put price back below the resistance line. The technical is bullish, but due to the intraday and daily divergences in play, we remain cautious on upside moves, as the technical suggests that they could struggle to hold.

Source Bloomberg



Capesize Q4 25

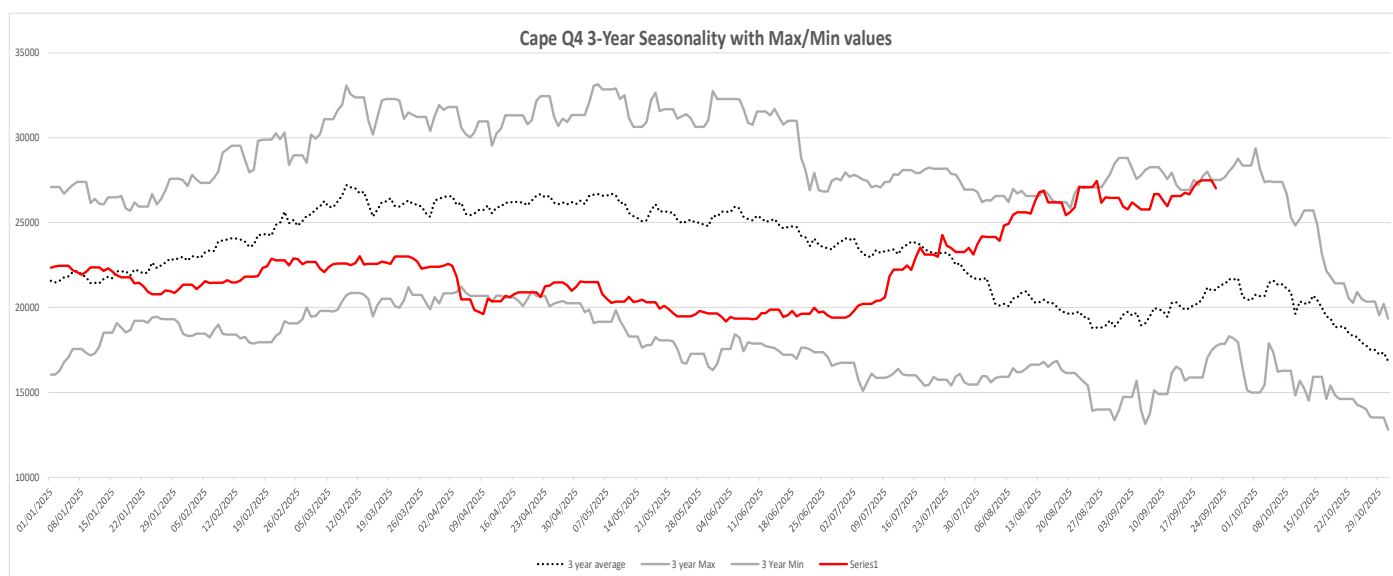


| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 26,432 | R1 | 28,239 | RSI above 50 | Stochastic overbought |
| S2 | 24,422 | R2 | 29,162 | | |
| S3 | 23,425 | R3 | 30,085 | | |

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum remained weak. We noted previously that we had confirmed that we had entered the higher timeframe corrective phase. However, the pullback remained shallow, meaning we have a note of caution on an upside breakouts above USD 27,550 at that point, as price would 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.
- The futures traded to a new high rather than pulled back, resulting in price trading to a new high. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 22,073 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are in divergence with the RSI, warning buyside momentum could slow, meaning we are cautious on upside moves at these levels. However, the new high has created a lower timeframe Elliott wave extension (we didn't see this on the lower timeframe intraday candles, as the jump in intraday candle period/time has been significantly bigger than the movement in price); however, what this does mean is that downside moves are once again considered as counter-trend, making USD 22,073 the key support to follow. Below this level the probability of the futures trading to a new high will start to decrease. A cautious bull.



Capesize Cal 26

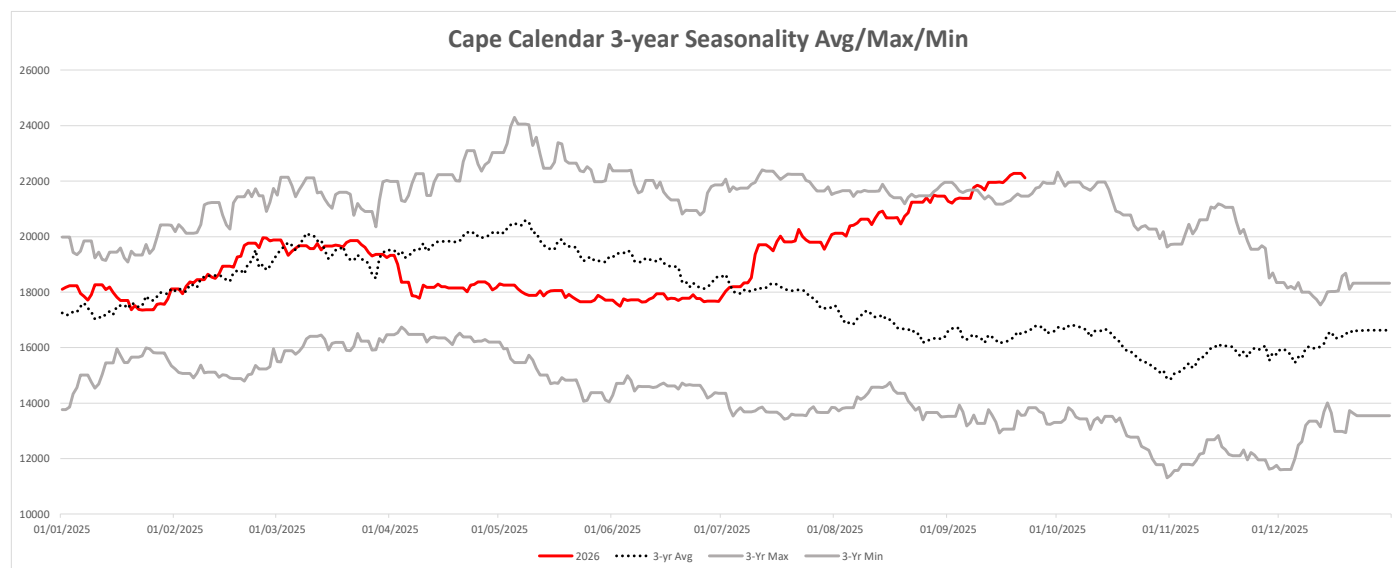


| Support | | Resistance | | Current Price | Bull | Bear |
|---------|--------|------------|--------|---------------|--------------|-----------------------|
| S1 | 21,564 | R1 | 22,454 | 22,125 | RSI above 50 | Stochastic overbought |
| S2 | 21,029 | R2 | 23,012 | | | |
| S3 | 20,375 | R3 | 23,298 | | | |

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (67)
- Stochastic is overbought
- Technically bullish last week, the RSI remained in divergence, warning we could see a momentum slowdown. Downside moves below USD 20,961 would indicate that buy-side momentum was 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 maintained 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.
- The futures have seen a very small move higher. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 19,082 will support a longer-term bull argument, below this level the longer-term Elliott wave cycle will have a neutral bias.
- Unchanged on the technical this week, we remain bullish but in divergence with the RSI, warning we could see a momentum slowdown. Downside moves below USD 21,029 will indicate that buy-side momentum was 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 | 10.01 | R1 | 10.72 | 10.35 | RSI above 50 | Stochastic overbought |
| 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 above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum was weak. The futures were below the weekly pivot level (USD 10.20), warning the linear regression support at USD 9.89 was starting to look vulnerable; a close below this level would 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 were seeing momentum weakness, warning support could come under pressure, if we traded below USD 9.80 price will be bearish based on the lower low.
- The futures failed to trade lower with price consolidating for two days before finding light bid support. We are above all key moving averages supported by the RSI 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 RSI is back above its moving average with price currently trading around the weekly pivot level (USD 10.34). A close above this level will imply that momentum is supported, warning the USD 10.72 fractal high could come under pressure. Conversely, a close below it will warn that the linear regression support at USD 10.01 could be tested. This is a key level on the technical, whilst above it, resistance remains vulnerable. As noted previously, the ADX suggests that downside moves should be considered as countertrend; however, above USD 10.72 the futures have the potential to be in divergence with the RSI, meaning we are cautious on moves above this level in the near-term. Supported, the divergence threat means that upside moves have the potential to be limited. The weekly pivot level is in play, the next couple of sessions should give an idea of how supported the market is.

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