



Capesize Technical Report

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Index

Technically bullish, the move above the USD 28,715 is a warning that the USD 31,756 resistance has become vulnerable, whilst the MA on the RSI implies that momentum is supported. Price is below the weekly pivot level (USD 29,391), warning buy-side pressure has decreased, leaving the USD 27,716 support vulnerable. A close below this level will also put price below the linear regression line (USD 28,045), implying sell side pressure is increasing. Conversely, if the USD 28,045—USD 27,716 support zone holds, the technical suggests we move higher. We have a note of caution on upside breakouts above USD 31,756, as the index will be divergent with the RSI. The technical is bullish, the move above USD 28,715 warns that resistance is vulnerable; however, whilst below the weekly pivot level, market bulls should be cautious, as seasonality is due to turn lower.

Oct 25

Bullish but in a corrective phase, the MA on the RSI implies that we have light momentum weakness. Price is now approaching the linear regression line (USD 28,272), a close below that holds below this level will weaken the technical further, whilst a close below the longer-term trend resistance line (now support, not shown USD 27,726) will indicate that sell side pressure is increasing. The futures are now moving lower on a negative divergence with the RSI, implying support levels are vulnerable, meaning we remain cautious on upside moves.

Q4 25

Technically bullish but in a corrective phase, below USD 25,250 the technical will be bearish based on price. The futures are trading over two standard deviations below the linear regression line, warning we could be overextended to the downside in the near-term. However, price is moving lower on a negative divergence with the RSI, meaning we remain cautious on upside moves at this point, as the technical suggests we could struggle to hold; this is supported by the RSI making new lows, as upside breakouts above USD 27,950 will create further divergences going forward.

Cal 26

Technically bullish, the futures are selling lower on the negative divergence with the RSI. A close below the low of the last dominant bull candle (USD 22,250) will imply that sell side pressure is decreasing, whilst a close below channel support (USD 21,671) will indicate sell side pressure is increasing. Due to the divergence in play, we remain cautious on upside moves at this point; however, longer-term Elliott wave analysis does suggest that downside moves should in theory be countertrend.

C5 Oct 25

Technically bullish, the futures are selling lower with price below the weekly pivot level (USD 10.46) and the linear regression line (USD 10.13), implying sell side pressure is increasing. The downside move is warning that the Fibonacci support zone could now come under pressure in the near-term; however, the ADX at 32 does imply there is an underlying strength in the trend, suggesting downside moves have the potential to be countertrend.

Capesize Index

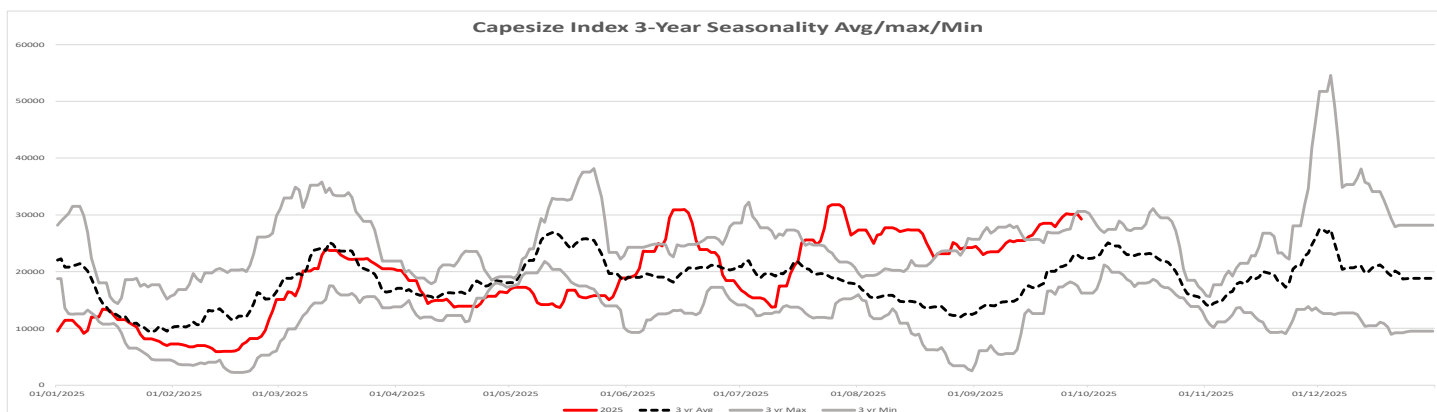


Support	Resistance	Current Price	Bull	Bear
S1	27,716	R1	29,943	Stochastic overbought
S2	25,442	R2	32,030	
S3	22,735	R3	35,681	

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is below the weekly pivot point (USD 29,391)
- Technically bullish last week, the MA on the RSI implied that momentum was supported; however, we were potentially in the process of rejecting the USD 28,715 resistance. If we did, it would warn that the corrective phase was becoming more complex. A close below the weekly pivot level (USD 27,721) would indicate sell side pressure was increasing, warning support levels could come under pressure. Conversely, a move above USD 28,715 would warn that the probability of the futures trading to a new low had started to decrease. The index had turned but remained 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.
- The index held above the support zone resulting in price moving above the USD 28,715 resistance. 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 29,741 will mean it is aligned to the buy side. Downside moves the hold at or above USD 25,442 will support a near-term bull argument, below this level the technical will be back in bearish territory.
- Technically bullish, the move above the USD 28,715 is a warning that the USD 31,756 resistance has become vulnerable, whilst the MA on the RSI implies that momentum is supported. Price is below the weekly pivot level (USD 29,391), warning buy side pressure has decreased, leaving the USD 27,716 support vulnerable. A close below this level will also put price below the linear regression line (USD 28,045), implying sell side pressure is increasing. Conversely, if the USD 28,045—USD 27,716 support zone holds, the technical suggests we move higher. We have a note of caution on upside breakouts above USD 31,756, as the index will be divergent with the RSI. The technical is bullish, the move above USD 28,715 warns that resistance is vulnerable; however, whilst below the weekly pivot level, market bulls should be cautious, as seasonality is due to turn lower.



Capesize Oct 25 (1 Month forward)

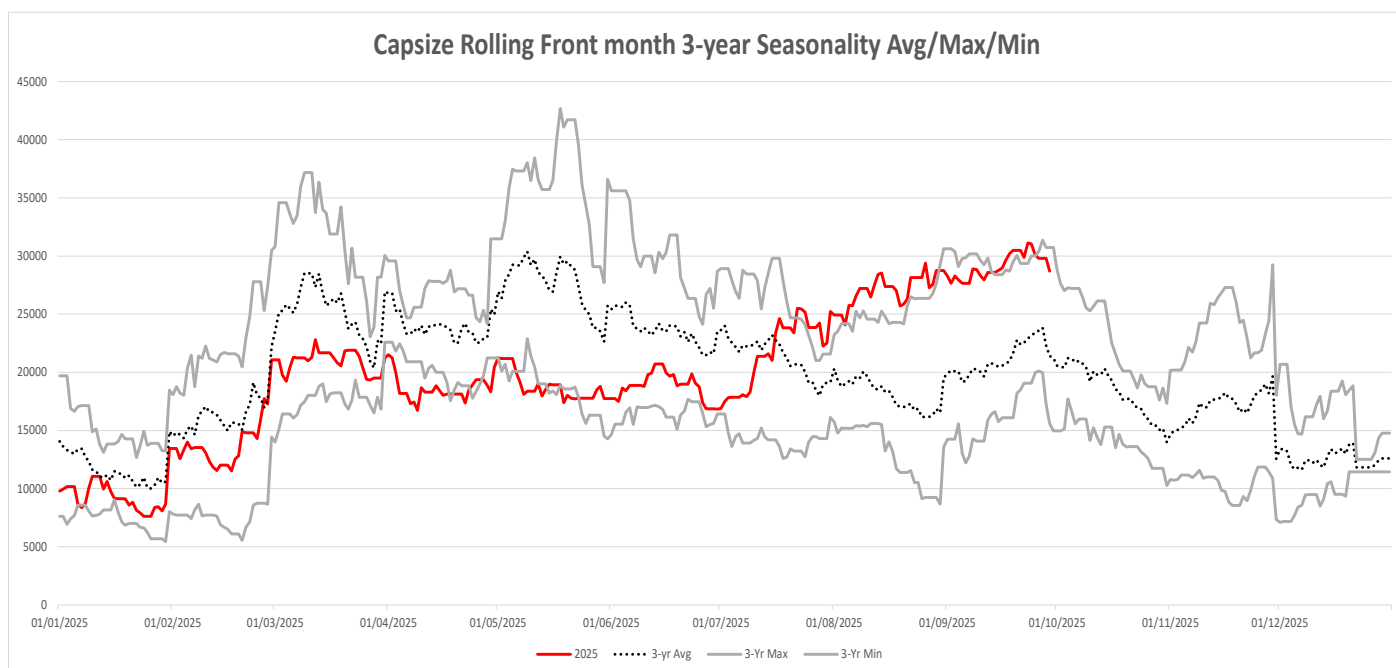


	Support		Resistance	Current Price	Bull	Bear
S1	28,272	R1	31,250	28,625	RSI above 50	
S2	27,726	R2	31,950			
S3	26,776	R3	34,609			

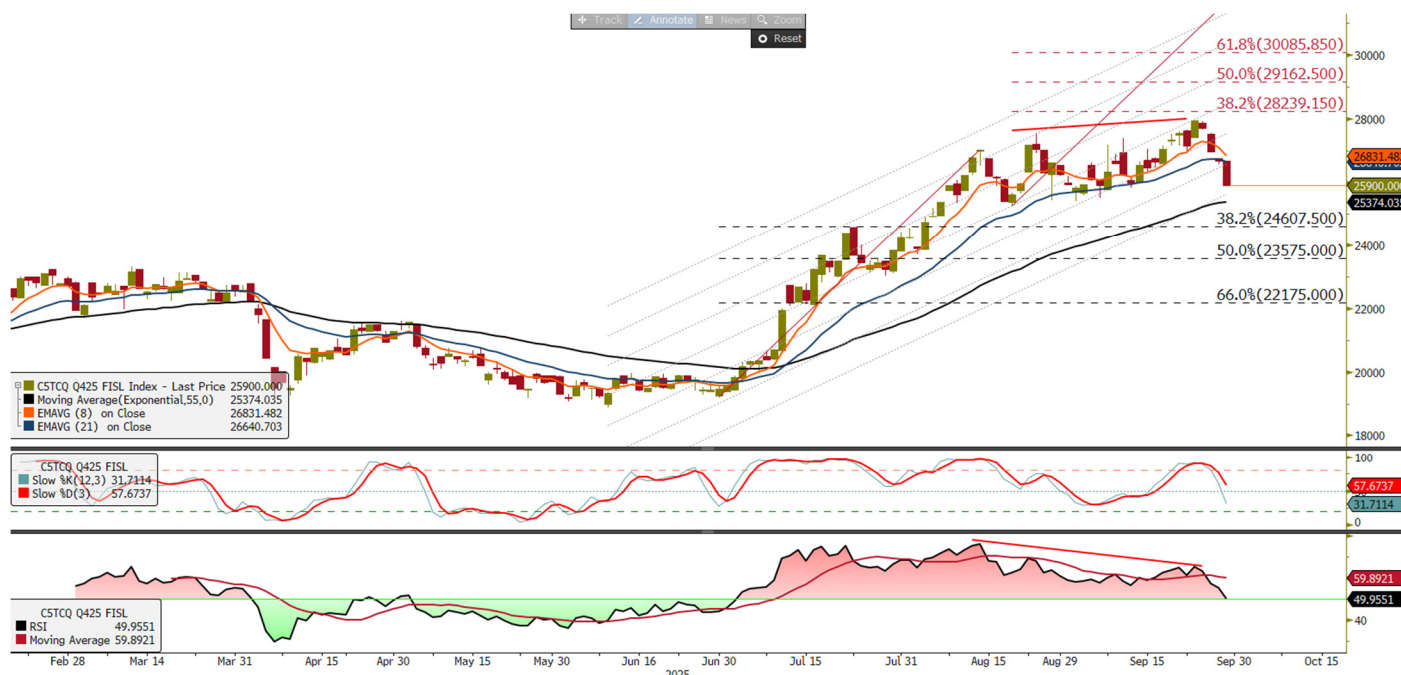
Synopsis

- Price is below the 8-21 period EMA's
- RSI is above 50 (53)
- Stochastic is above 50
- Technically bullish last week, the MA on the RSI implied that we have light momentum support. The new high meant that the futures were in divergence with the RSI, warning we could see a momentum slowdown, whilst a daily close below USD 29,500 would put price back below the resistance line. The technical was bullish, but due to the intraday and daily divergences in play, we remained cautious on upside moves, as the technical suggested that they could struggle to hold.
- The futures traded to a high of USD 31,250 before entering a corrective phase on the divergence. We are below the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 21,597 will support a bull argument, below this level the technical will have a neutral bias.
- Bullish but in a corrective phase, the MA on the RSI implies that we have light momentum weakness. Price is now approaching the linear regression line (USD 28,272), a close below that holds below this level will weaken the technical further, whilst a close below the longer-term trend resistance line (now support, not shown USD 27,726) will indicate that sell side pressure is increasing. The futures are now moving lower on a negative divergence with the RSI, implying support levels are vulnerable, meaning we remain cautious on upside moves.

Source Bloomberg



Capesize Q4 25

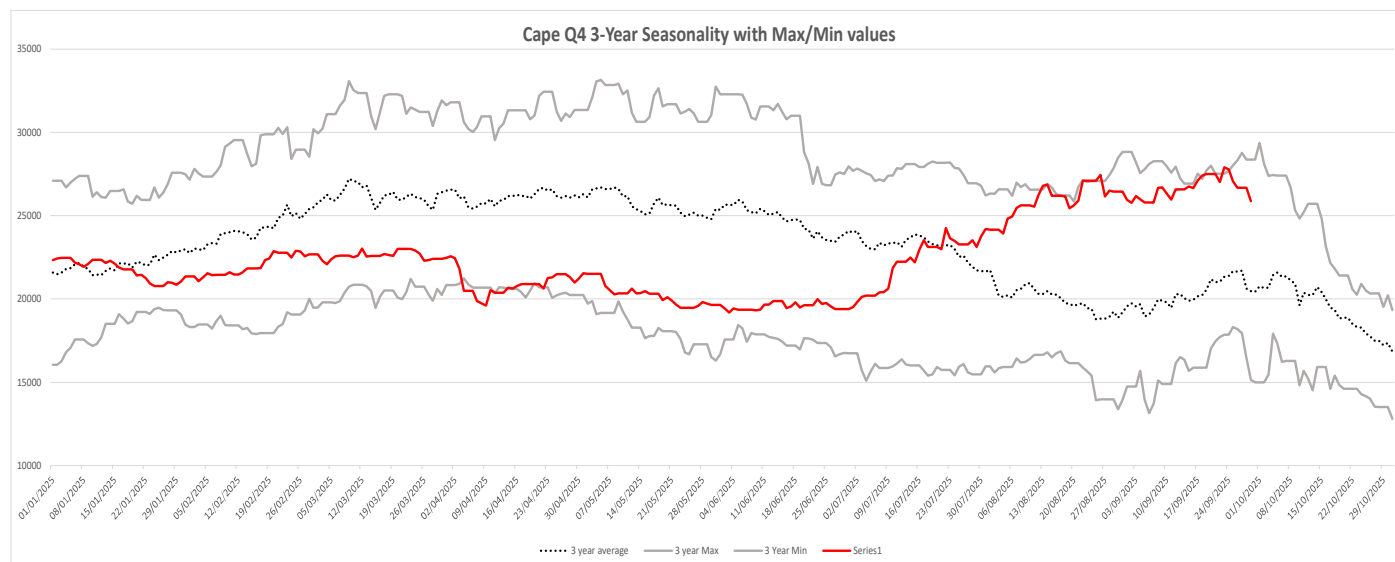


Support		Resistance		Current Price	Bull	Bear
S1	25,250	R1	27,950	25,900		RSI below 50
S2	24,607	R2	28,239			
S3	23,575	R3	29,162			

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is above 50
- Technically bullish last week, the futures were in divergence with the RSI, warning buy-side momentum could slow, meaning we were cautious on upside moves at those levels. However, the new high had 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 had been significantly bigger than the movement in price); however, what this did mean was 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 would start to decrease. A cautious bull.
- The futures traded to a new high of USD 27,950 before entering a corrective phase. We are below the 8-21 period EMA's with the RSI near-neutral at 49.
- Downside moves that hold at or above USD 22,175 will support a longer-term bull argument (longer-term Elliott wave cycle), below this level the probability of the futures trading to a new high will start to decrease.
- Technically bullish but in a corrective phase, below USD 25,250 the technical will be bearish based on price. The futures are trading over two standard deviations below the linear regression line, warning we could be overextended to the downside in the near-term. However, price is moving lower on a negative divergence with the RSI, meaning we remain cautious on upside moves at this point, as the technical suggests we could struggle to hold; this is supported by the RSI making new lows, as upside breakouts above USD 27,950 will create further divergences going forward.



Capesize Cal 26

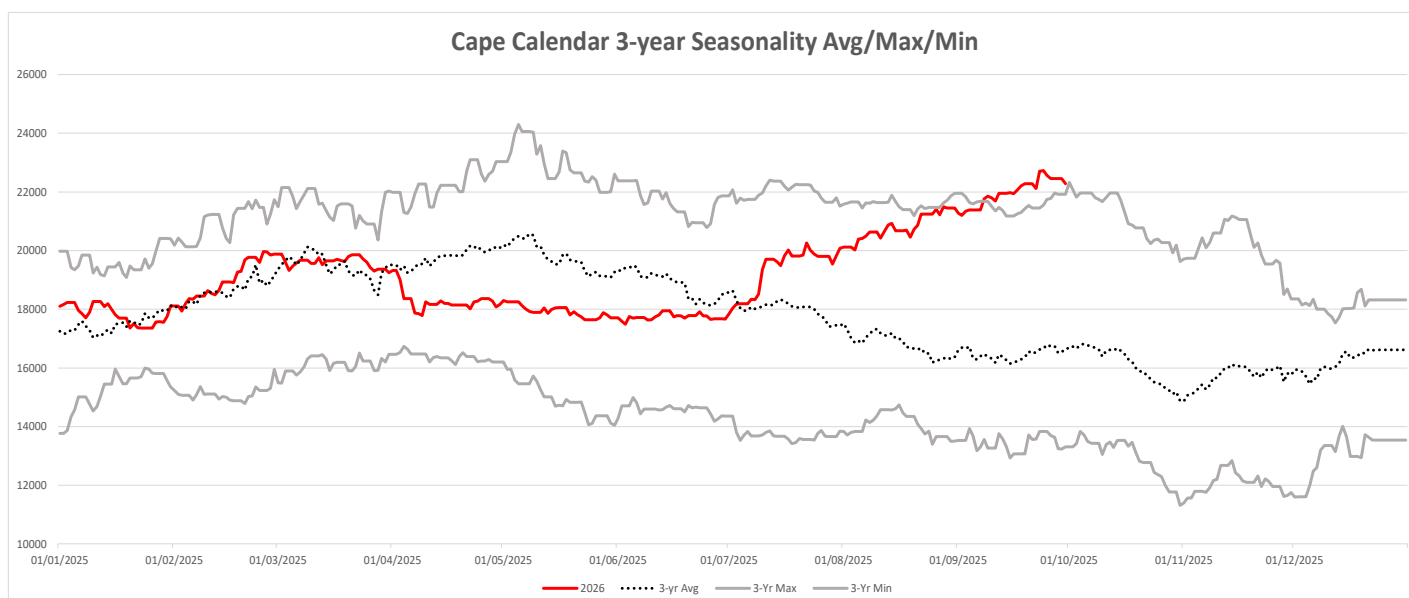


Support		Resistance		Current Price	Bull	Bear
S1	21,889	R1	23,012	22,125	RSI above 50	Stochastic overbought
S2	21,671	R2	23,298			
S3	21,208	R3	24,225			

Synopsis

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Unchanged on the technical last week, we remained bullish but in divergence with the RSI, warning we could see a momentum slowdown. Downside moves below USD 21,029 would indicate that buy-side momentum was weakening, whilst below USD 20,375 would warn that price was 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 those levels due to the divergence in play. A cautious bull.
- The futures had one more test to the upside with price trading up to but rejecting the channel resistance, before entering a corrective phase on the negative divergence. We are between the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 19,261 will support a longer-term bull argument, below this level the longer-term Elliott wave cycle will have a neutral bias.
- Technically bullish, the futures are selling lower on the negative divergence with the RSI. A close below the low of the last dominant bull candle (USD 22,250) will imply that sell side pressure is decreasing, whilst a close below channel support (USD 21,671) will indicate sell side pressure is increasing. Due to the divergence in play, we remain cautious on upside moves at this point; however, longer-term Elliott wave analysis does suggest that downside moves should in theory be countertrend.



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



Support		Resistance		Current Price	Bull	Bear
S1	10.02	R1	10.46	10.05	RSI above 50	Stochastic overbought
S2	9.80	R2	10.72			
S3	9.54	R3	11.87			

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 between the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Technically bullish last week, the RSI was back above its moving average with price trading around the weekly pivot level (USD 10.34). A close above this level would 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. we noted that this was a key level on the technical, whilst above it, resistance remained vulnerable. As noted previously, the ADX suggested 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 meant that upside moves had the potential to be limited. The weekly pivot level was in play, we noted that the next couple of sessions should give an idea of how supported the market was.
- The futures closed above the weekly pivot level, resulting in price trading to a high of USD 10.60; however, as noted last week, the threat of the divergence did mean that the upside move was limited. The futures have now entered a corrective phase with price between the 8-21 period EMA's whilst the RSI is 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 futures are selling lower with price below the weekly pivot level (USD 10.46) and the linear regression line (USD 10.13), implying sell side pressure is increasing. The downside move is warning that the Fibonacci support zone could now come under pressure in the near-term; however, the ADX at 32 does imply there is an underlying strength in the trend, suggesting downside moves have the potential to be countertrend.

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