



Capesize Technical Report

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Index

Technically bearish, the MA on the RSI implies that momentum is weak, whilst the RSI low is suggesting upside moves have the potential to be countertrend. The index has turned higher, implying sell side momentum is starting to slow, warning the weekly pivot level (USD 24,795) could come under pressure. A close above this level will indicate that buy-side pressure is increasing, making USD 27,610 the key resistance to follow. Above this level the probability of the index trading to a new low will start to decrease.

Nov 25

Bearish based on price, the longer-term Elliott wave cycle remains bullish. The MA on the RSI implies that momentum is weak, whilst the RSI low suggests that upside moves have the potential to be countertrend in the near-term, making USD 28,827 the key resistance to follow. Above this level the probability of the futures trading to a new low will start to decrease. Bearish, we are cautious on higher moves whilst below the USD 28,827 as the technical suggests we could struggle to hold.

Q4 25

The futures are bearish based on price due to the move below the USD 25,250 fractal support. The MA on the RSI implies that momentum remains weak, whilst the RSI low warns that upside moves could be countertrend in the near-term, making USD 26,454 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. Conversely, if rejected, it will warn that there is further downside within this corrective phase. Note: the longer-term Elliott wave cycle remains bullish above USD 22,175, the downside move to a low of USD 23,550 did confirm that we had entered the higher timeframe Elliott wave correction. We are currently moving higher, if we start to close above the USD 26,454 level, the USD 27,950 fractal resistance will become vulnerable.

Cal 26

Technically bullish, having held trend support with a bullish rejection candle the futures are now approaching the USD 22,825 high. However, the RSI is below its MA whilst above USD 22,825 price will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. Bullish but cautious above USD 22,825.

C5 Nov 25

The downside move below the USD 10.02 level means that the technical is bearish based on price; However, the Elliott wave cycle remains bullish above USD 8.68 and neutral below. The MA on the RSI implies that momentum is weak, whilst the RSI low suggests that upside moves have the potential to be countertrend in the near-term, making USD 10.18 the key resistance to follow. Above this level the probability of the futures trading to a new low will start to decrease. We are cautious on upside moves whilst below the USD 10.18 level.

Capesize Index

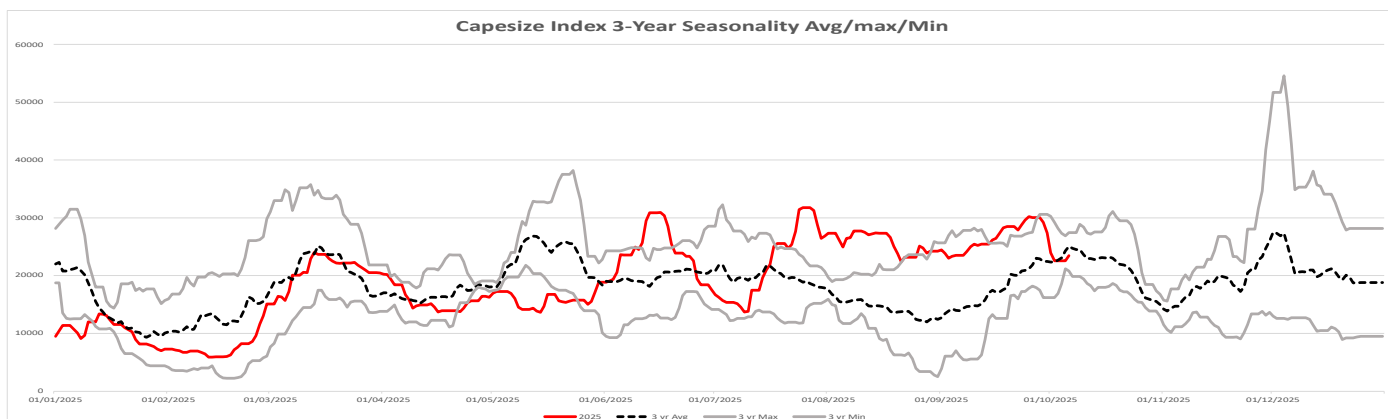


Support	Resistance	Current Price	Bull	Bear
S1	R1	23,453	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 24,795)
- Technically bullish last week, the move above USD 28,715 warned that the USD 31,756 resistance had become vulnerable, whilst the MA on the RSI implied that momentum was supported. Price was below the weekly pivot level (USD 29,391), warning buyside pressure had decreased, leaving the USD 27,716 support vulnerable. We noted that a close below this level would also put price below the linear regression line (USD 28,045), implying sell side pressure was increasing. Conversely, if the USD 28,045—USD 27,716 support zone held, the technical suggested that we move higher. We had a note of caution on upside breakouts above USD 31,756, as the index would be divergent with the RSI. The technical was bullish, the move above USD 28,715 warned that resistance is vulnerable; however, whilst below the weekly pivot level, market bulls should be cautious, as seasonality was due to turn lower.
- The index followed the seasonality lower with price closing below the USD 27,716 level and the USD 25,442 support, meaning the technical is back in bearish territory. We are below all key moving with the RSI below 50.
- Momentum based on price is aligned to the sell side, a close above USD 23,480 will mean it is aligned to the buyside side. Upside moves that fail at or below USD 27,610 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI implies that momentum is weak, whilst the RSI low is suggesting upside moves have the potential to be countertrend. The index has turned higher, implying sell side momentum is starting to slow, warning the weekly pivot level (USD 24,795) could come under pressure. A close above this level will indicate that buyside pressure is increasing, making USD 27,610 the key resistance to follow. Above this level the probability of the index trading to a new low will start to decrease.



Capesize Nov 25 (1 Month forward)

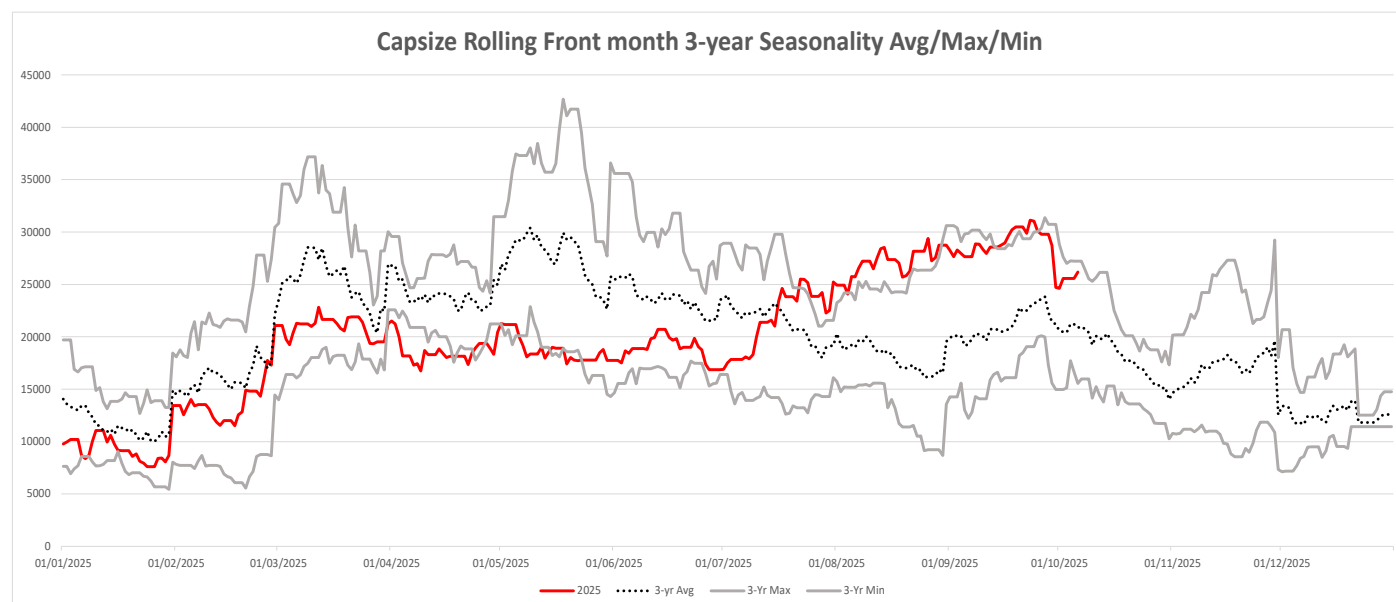


	Support	Resistance	Current Price	Bull	Bear
S1	23,937	R1	26,846	Stochastic oversold	RSI below 50
S2	21,597	R2	27,687		
S3	19,754	R3	28,827		

Synopsis

- Price is below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Bullish but in a corrective phase last week, the MA on the RSI implied that we had light momentum weakness. Price was approaching the linear regression line (USD 28,272), a close below that held below this level would weaken the technical further, whilst a close below the longer-term trend resistance line (now support, not shown USD 27,726) would indicate that sell side pressure was increasing. The futures were moving lower on a negative divergence with the RSI, implying support levels were vulnerable, meaning we remained cautious on upside moves.
- The futures sold to a low of USD 27,625 before gapping lower on the roll into the November contract. Having sold to a low of USD 24,125 the futures are now finding light bid support, the technical is bearish based on price. We are below the 8-21 period EMA's supported by the RSI below 50.
- Downside moves that hold at or above USD 21,597 will support a longer-term bull argument, below this level the Elliott wave cycle will have a neutral bias.
- Bearish based on price, the longer-term Elliott wave cycle remains bullish. The MA on the RSI implies that momentum is weak, whilst the RSI low suggests that upside moves have the potential to be countertrend in the near-term, making USD 28,827 the key resistance to follow. Above this level the probability of the futures trading to a new low will start to decrease. Bearish, we are cautious on higher moves whilst below the USD 28,827 as the technical suggests we could struggle to hold.

Source Bloomberg



Capesize Q4 25

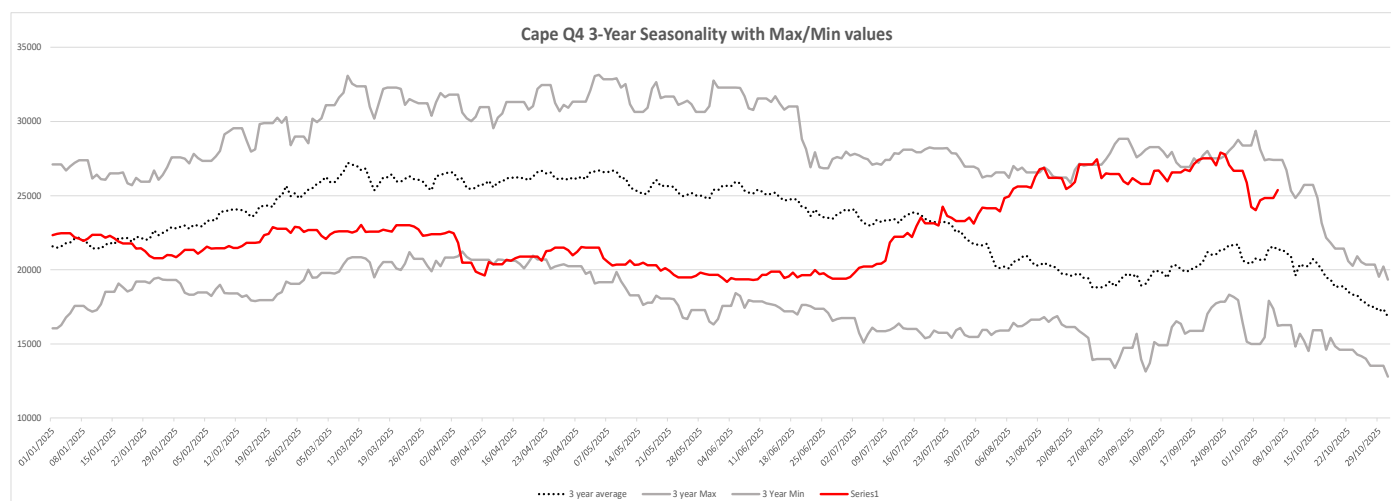


Support		Resistance		Current Price	Bull	Bear
S1	25,375	R1	25,750	25,525	RSI below 50	Stochastic oversold
S2	22,175	R2	26,454			
S3	21,072	R3	27,950			

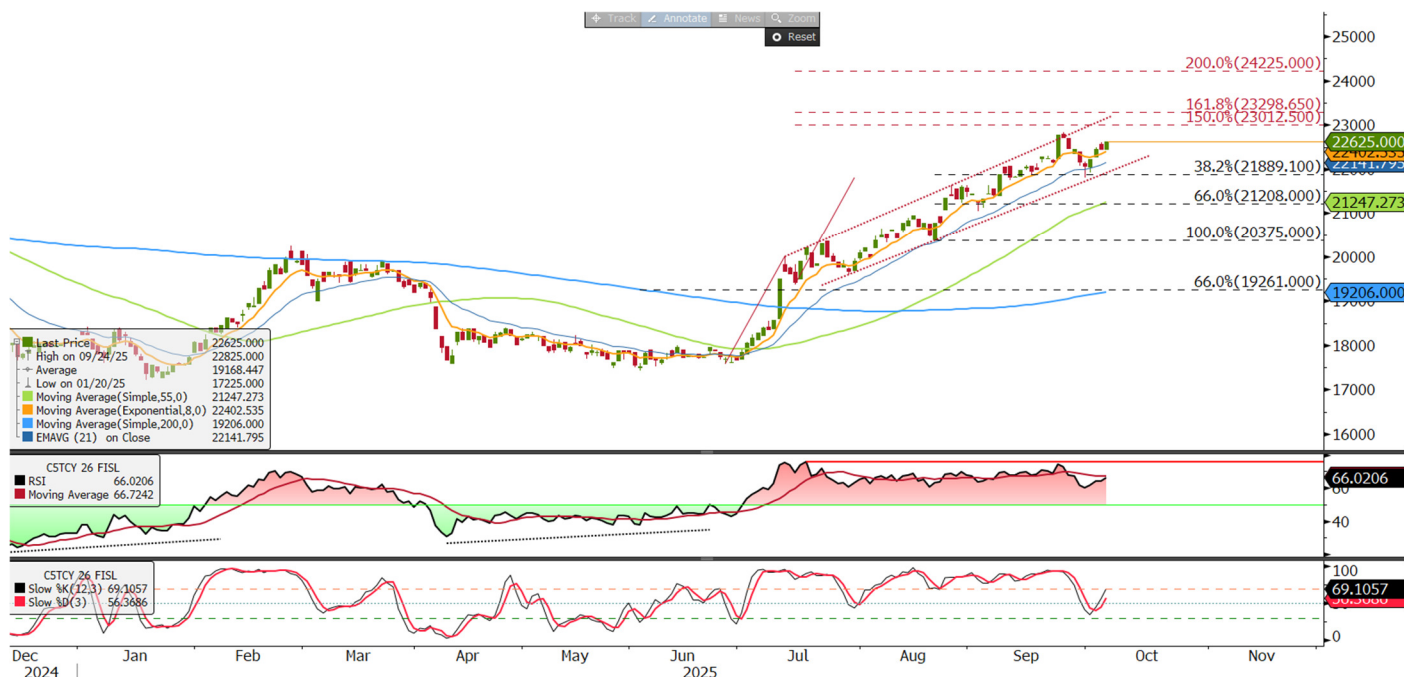
Synopsis

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- Technically bullish but in a corrective phase last week, below USD 25,250 the technical would be bearish based on price. The futures were trading over two standard deviations below the linear regression line, warning we could be overextended to the downside in the near-term. However, price was moving lower on a negative divergence with the RSI, meaning we remained cautious on upside moves at that point, as the technical suggested that we could struggle to hold; this was supported by the RSI making new lows, as upside breakouts above USD 27,950 would create further divergences going forward.
- The futures continued to come under pressure with price eventually finding bid support three standard deviations below the linear regression line. We have seen a small move higher with price trading between the 8-21 period EMA's, whilst the RSI is 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.
- The futures are bearish based on price due to the move below the USD 25,250 fractal support. The MA on the RSI implies that momentum remains weak, whilst the RSI low warns that upside moves could be countertrend in the near-term, making USD 26,454 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. Conversely, if rejected, it will warn that there is further downside within this corrective phase. Note: the longer-term Elliott wave cycle remains bullish above USD 22,175, the downside move to a low of USD 23,550 did confirm that we had entered the higher timeframe Elliott wave correction. We are currently moving higher, if we start to close above the USD 26,454 level, the USD 27,950 fractal resistance will become vulnerable.



Capesize Cal 26

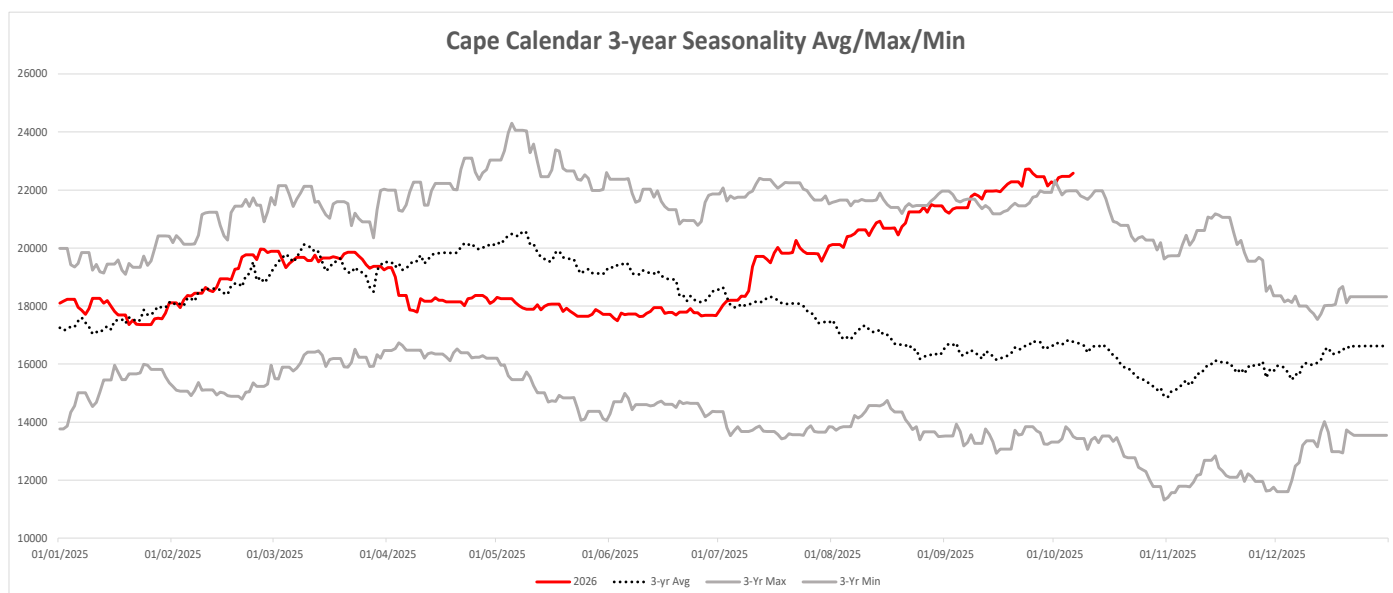


Support	Resistance	Current Price	Bull	Bear
S1	R1	22,625	RSI above 50	
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (66)
- Stochastic is above 50
- Technically bullish last week, the futures were selling lower on the negative divergence with the RSI. We noted that a close below the low of the last dominant bull candle (USD 22,250) would imply that sell side pressure is decreasing, whilst a close below channel support (USD 21,671) would indicate sell side pressure is increasing. Due to the divergence in play, we remain cautious on upside moves at that point; however, longer-term Elliott wave analysis did suggest that downside moves should in theory be countertrend.
- The futures closed below the USD 22,250 level resulting in price selling to a low of USD 21,800, meaning price held the trend support line. We have since moved higher with the futures back above the 8-21 period EMA's, whilst the RSI remains 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, having held trend support with a bullish rejection candle the futures are now approaching the USD 22,825 high. However, the RSI is below its MA whilst above USD 22,825 price will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. Bullish but cautious above USD 22,825.



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



Support		Resistance		Current Price	Bull	Bear
S1	9.18	R1	10.18			
S2	8.68	R2	10.60			
S3	8.29	R3	10.72			
				9.625	Stochastic oversold	RSI below 50

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 below the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Technically bullish last week, the futures were selling lower with price below the weekly pivot level (USD 10.46) and the linear regression line (USD 10.13), implying sell side pressure was increasing. The downside move warned that the Fibonacci support zone could come under pressure in the near-term; however, the ADX at 32 did imply there is an underlying strength in the trend, suggesting downside moves have the potential to be countertrend.
- The futures continued to sell lower before gapping down on the roll into November, resulting in price selling to a low of USD 9.375. We are below all key moving averages supported by the RSI below 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.
- The downside move below the USD 10.02 level means that the technical is bearish based on price; However, the Elliott wave cycle remains bullish above USD 8.68 and neutral below. The MA on the RSI implies that momentum is weak, whilst the RSI low suggests that upside moves have the potential to be countertrend in the near-term, making USD 10.18 the key resistance to follow. Above this level the probability of the futures trading to a new low will start to decrease. We are cautious on upside moves whilst below the USD 10.18 level.

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