



Capesize Technical Report

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Index

Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The move above USD 27,160 is warning that the USD 31,756 fractal resistance could be tested and broken. This move has been unpredictable due to the introduction of the port fees; however, price has taken out key resistance on the back of it, with price trading on the linear regression line (USD 28,026), if we hold above it, then it will imply that resistance levels could be tested and broken.

Nov 25

Bearish with a neutral bias, the upside move above USD 28,827 means that the probability of the futures trading to a new low have started to decrease. This indicates that we have entered the higher timeframe bullish Elliott wave 5, warning the USD 31,250 fractal resistance should be tested and broken. If it is, then Fibonacci projection levels suggest that we have a potential upside target at USD 38,756.

Q4 25

Technically bullish, the new high means that the futures are in divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown. Countering this, the upside breakout has resulted in near-term resistance being broken, indicating downside moves have a higher chance of being countertrend, making USD 25,488 the key support to follow. Below this level, the probability of the futures trading to a new high would start to decrease. A close below the linear regression line (USD 28,100) will warn that support levels could come under pressure in the near-term.

Cal 26

Technically bullish, our Elliott wave analysis continues to suggest that downside moves should be considered as countertrend. The upside move to a new high means that futures are in divergence with the RSI, not a sell signal, it is a warning that we are seeing a momentum slowdown, which needs to be monitored. Likewise, the rejection of the upper channel resistance is warning of higher timeframe sellers in the market, meaning we could see channel support at USD 22,156 come under pressure in the near-term.

C5 Nov 25

Technically bullish, momentum indicators will be incorrect due to price trading a lot higher than the close on Friday (current mid-price USD 11.375). However, based on the RSI placement, there is a chance that the futures will be in divergence with the RSI, warning we have the potential to see a momentum slowdown. Although we do not have intraday data, we will see a bullish cross on the DMI (bottom window) on the close of business, whilst the ADX be at least at 29, supporting a trending environment, warning downside moves should be considered as countertrend. Key support is at USD 10.05; corrective moves lower that hold at or above this level will support a bull argument, below this level the probability of the futures trading to a new high will start to decrease.

Capesize Index

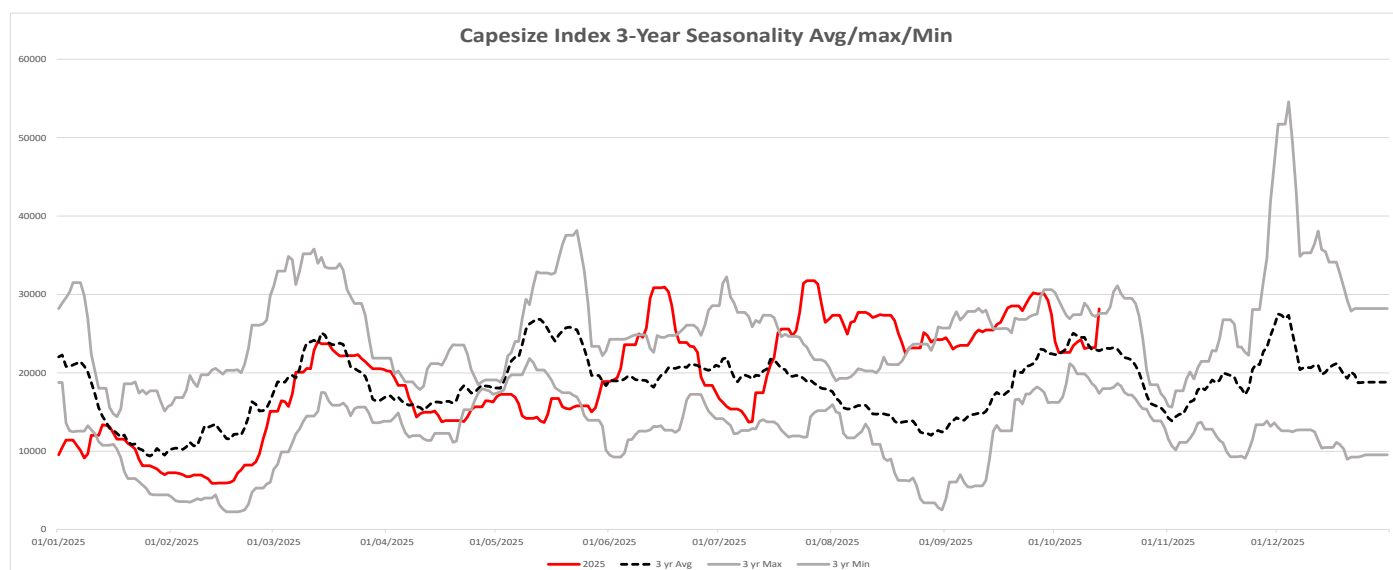


	Support	Resistance	Current Price	Bull	Bear
S1	28,026	R1	30,338	Stochastic oversold	RSI below 50
S2	22,735	R2	31,756		
S3	19,848	R3	32,437		

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 23,523)
- Technically bearish last week, the MA on the RSI implied that momentum was weak, whilst the RSI low suggested that upside moves have the potential to be countertrend. The index had turned higher, implying sell side momentum was starting to slow, warning the weekly pivot level (USD 24,795) could come under pressure. A close above this level would indicate that buy-side pressure was 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.
- With China introducing increased port fees on US vessels we have seen a strong move higher in the index. 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 24,421 will mean it is aligned to the sell side. Downside moves that hold at or above USD 19,848 will support a longer-term bull argument.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. The move above USD 27,160 is warning that the USD 31,756 fractal resistance could be tested and broken. This move has been unpredictable due to the introduction of the port fees; however, price has taken out key resistance on the back of it, with price trading on the linear regression line (USD 28,026), if we hold above it, then it will imply that resistance levels could be tested and broken.



Capesize Nov 25 (1 Month forward)

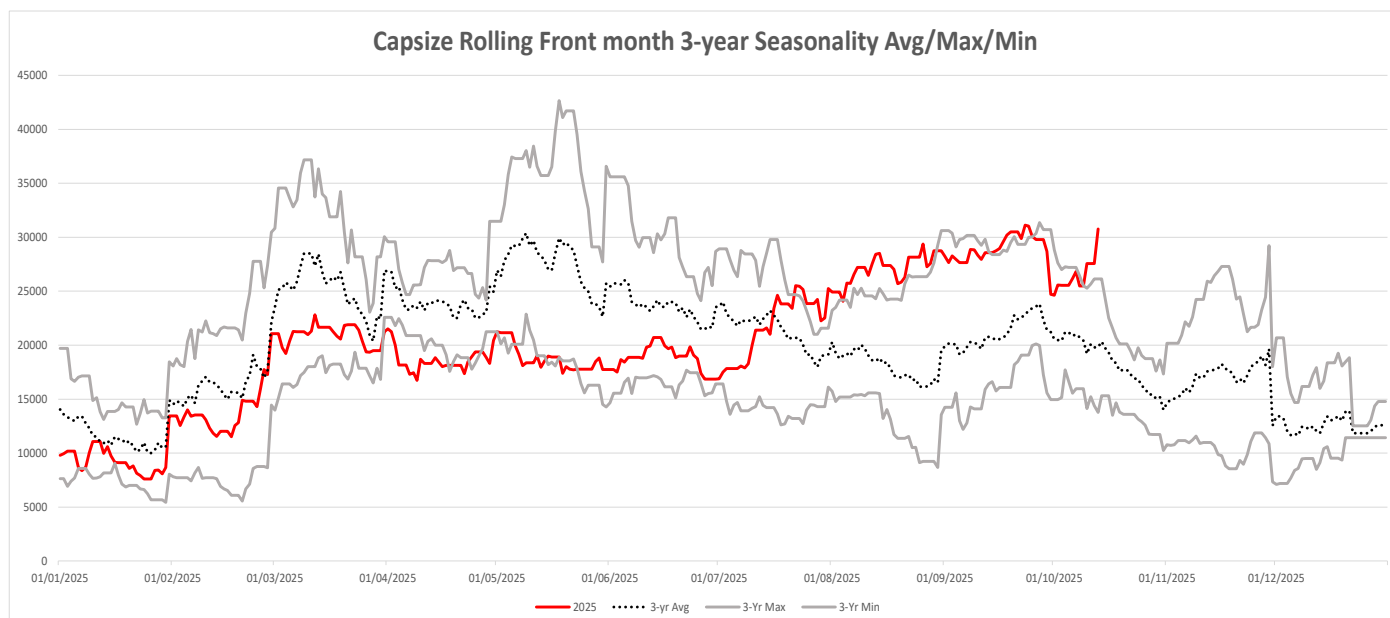


	Support	Resistance	Current Price	Bull	Bear
S1	28,621	R1	31,250	RSI above 50	
S2	26,420	R2	33,168		
S3	24,125	R3	35,962		

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is below
- Bearish based on price last week, the longer-term Elliott wave cycle remained bullish. The MA on the RSI implied that momentum was weak, whilst the RSI low suggested that upside moves had 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 would start to decrease. Bearish, we were cautious on higher moves whilst below the USD 28,827, as the technical suggested we could struggle to hold.
- The futures have traded above the USD 28,827 level due to the Chinese introduction of port fees on US vessels. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 26,420 will support a near-term bull argument, below this level the Elliott wave cycle will be back in bearish territory. Key longer-term support remains at USD 21,597.
- Bearish with a neutral bias, the upside move above USD 28,827 means that the probability of the futures trading to a new low have started to decrease. This indicates that we have entered the higher timeframe bullish Elliott wave 5, warning the USD 31,250 fractal resistance should be tested and broken. If it is, then Fibonacci projection levels suggest that we have a potential upside target at USD 38,756.

Source Bloomberg



Capesize Q4 25

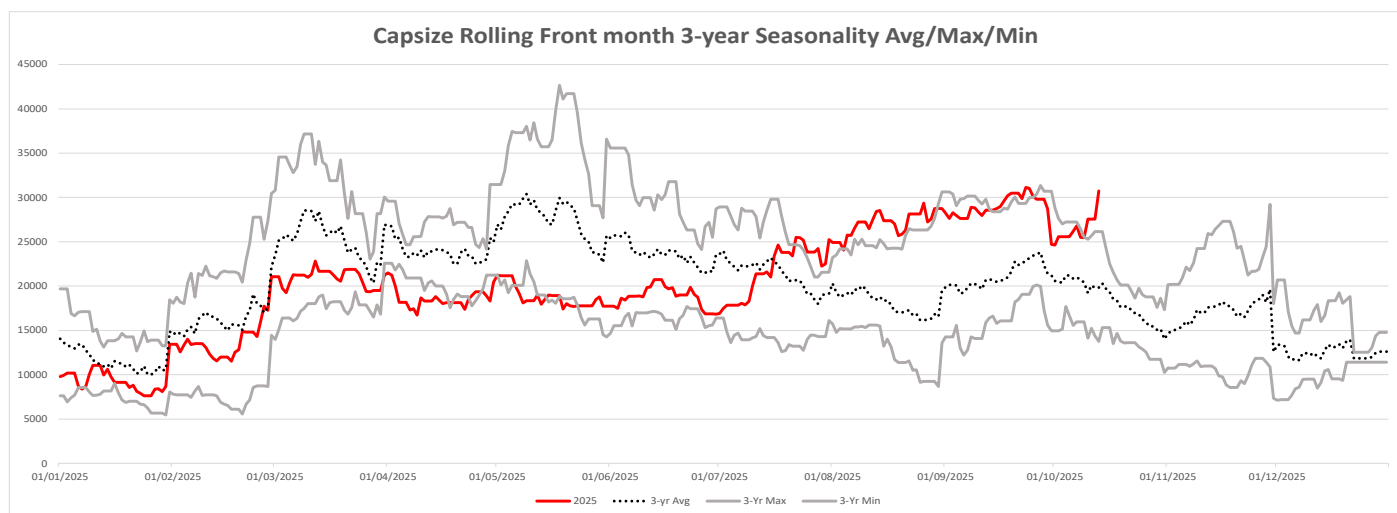


Support	Resistance	Current Price	Bull	Bear
S1	R1	25,525	RSI above 50	
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is below 50
- The futures were bearish based on price last week due to the move below the USD 25,250 fractal support. The MA on the RSI implied that momentum remained weak, whilst the RSI low warned 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 would start to decrease. Conversely, if rejected, it would warn that there was further downside within this corrective phase. We noted that the longer-term Elliott wave cycle remained 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 were currently moving higher, if we start to close above the USD 26,454 level, the USD 27,950 fractal resistance would become vulnerable.
- The futures remained supported last week before gapping higher on the open, putting price above the USD 26,454 and USD 27,950 resistance levels. We are above all key moving averages supported by the RSI below 50.
- Downside moves that hold at or above USD 25,488 will support a bull argument, below this level the futures will have a neutral bias.
- Technically bullish, the new high means that the futures are in divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown. Countering this, the upside breakout has resulted in near-term resistance being broken, indicating downside moves have a higher chance of being countertrend, making USD 25,488 the key support to follow. Below this level, the probability of the futures trading to a new high would start to decrease. A close below the linear regression line (USD 28,100) will warn that support levels could come under pressure in the near-term.



Capesize Cal 26

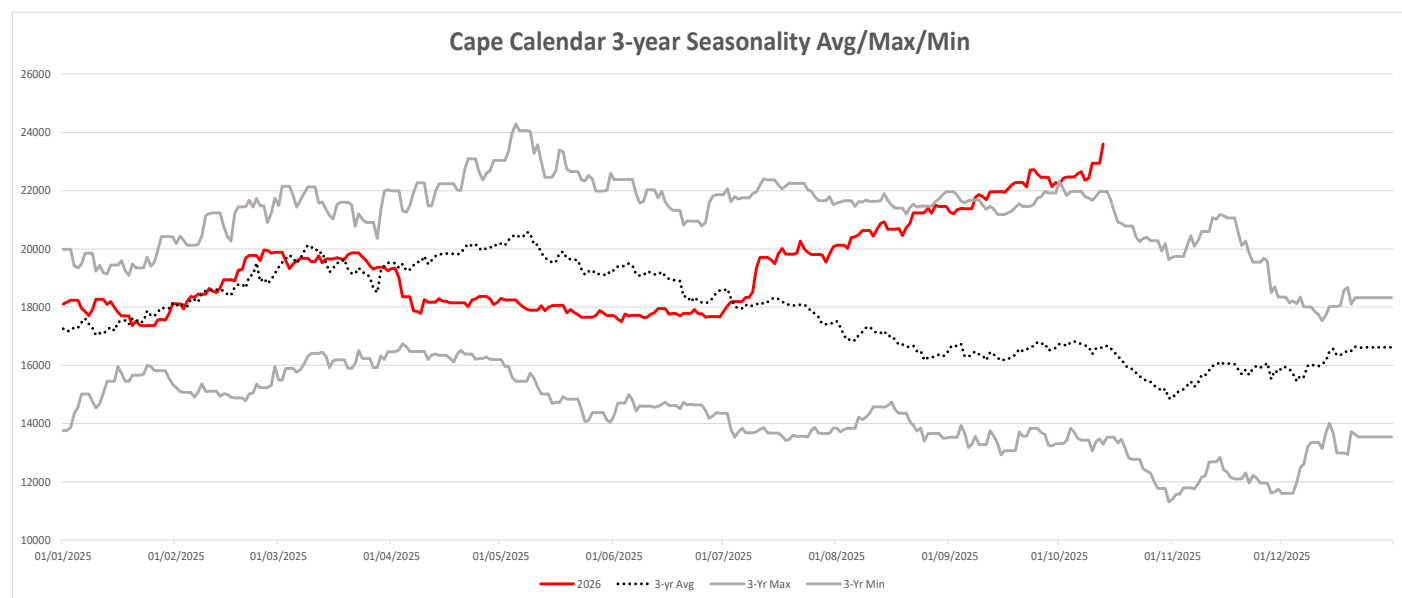


Support		Resistance		Current Price	Bull	Bear
S1	22,156	R1	23,376	22,625	RSI above 50	
S2	21,800	R2	24,225			
S3	21,241	R3	24,879			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (69)
- Stochastic is above 50
- Technically bullish last week, having held trend support with a bullish rejection candle the futures were approaching the USD 22,825 high. However, the RSI was below its MA whilst above USD 22,825 price would be in divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown, which needed to be monitored. Bullish but cautious above USD 22,825.
- Like the rest of the Capesize complex the futures have seen a strong move higher. However, price is in the process of rejecting the upper channel resistance. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 19,521 will support a longer-term bull argument, below this level the longer-term Elliott wave cycle will have a neutral bias.
- Technically bullish, our Elliott wave analysis continues to suggest that downside moves should be considered as countertrend. The upside move to a new high means that futures are in divergence with the RSI, not a sell signal, it is a warning that we are seeing a momentum slowdown, which needs to be monitored. Likewise, the rejection of the upper channel resistance is warning of higher timeframe sellers in the market, meaning we could see channel support at USD 22,156 come under pressure in the near-term.



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



Support		Resistance		Current Price	Bull	Bear
S1	10.61	R1	11.56	11.375	RSI above 50	
S2	10.37	R2	12.07			
S3	10.05	R3	12.81			

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 (51)
- Stochastic is above 50
- The downside move below the USD 10.02 level meant that the technical was bearish based on price last week; However, the Elliott wave cycle remained bullish above USD 8.68 and neutral below. The MA on the RSI implied that momentum was weak, whilst the RSI low suggested that upside moves had 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 would start to decrease. We were cautious on upside moves whilst below the USD 10.18 level.
- The futures closed at 10.075 on Friday before gapping higher on the open, meaning we have traded to new highs. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 10.05 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, momentum indicators will be incorrect due to price trading a lot higher than the close on Friday (current mid-price USD 11.375). However, based on the RSI placement, there is a chance that the futures will be in divergence with the RSI, warning we have the potential to see a momentum slowdown. Although we do not have intraday data, we will see a bullish cross on the DMI (bottom window) on the close of business, whilst the ADX be at least at 29, supporting a trending environment, warning downside moves should be considered as countertrend. Key support is at USD 10.05; corrective moves lower that hold at or above this level will support a bull argument, below this level the probability of the futures trading to a new high will start to decrease.

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