



Capesize Technical Report

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Index

Technically bullish but in a corrective phase, the MA on the RSI implies that momentum is supported at this point. The RSI has made new highs alongside price, warning downside moves have the potential to be countertrend, making USD 30,079 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. The index is testing the weekly pivot level (USD 51,554). If we close below it, it will warn that sell side pressure could be increasing in the near-term.

Jan 26

Technically bullish but in a corrective phase, the MA on the RSI implies we have light momentum weakness, with intraday Elliott wave analysis warning that upside moves look like they could be countertrend, making USD 22,062 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. Note: we are seeing bid support today, as USD 20,090 is two standard deviations below the linear regression line, warning price was overextended to the downside on the open this morning. A close above the linear regression line (USD 21,530) will imply that buy-side pressure is increasing, leave the USD 22,062 resistance vulnerable.

Q1 26

Technically bullish, the RSI has made a new high alongside price, meaning we maintain our view that downside moves should be considered as countertrend at this point, making USD 17,320 the key support to follow. Below this level then the probability of the futures trading to a new high will start to decrease. Upside moves that fail at or below USD 19,506 will warn that the correction is becoming more complex; conversely, above this level the USD 20,005 fractal high will become vulnerable.

Cal 26

Technically bullish, we have a 3-wave intraday move lower that has traded to a low of USD 23,275, this is USD 50 above the intraday 100% Fibonacci projection level. The corrective pattern has been followed by a move above USD 23,825, warning the USD 24,050 fractal high is now vulnerable. Downside moves should be considered as countertrend, if we do trade below USD 22,779 then the probability of the futures trading to a new high will start to decrease.

C5 Jan 26

Technically bullish, the ADX is at 45, suggesting downside moves should be considered as countertrend, warning the USD 8.60 resistance could come under pressure. This is a key level on the technical, if rejected, it will leave support levels vulnerable; conversely, if broken, then the USD 8.75 fractal high could be tested and broken. We have a 3-wave pattern lower and a high ADX, meaning we are cautious on downside moves at this point.

Capesize Index

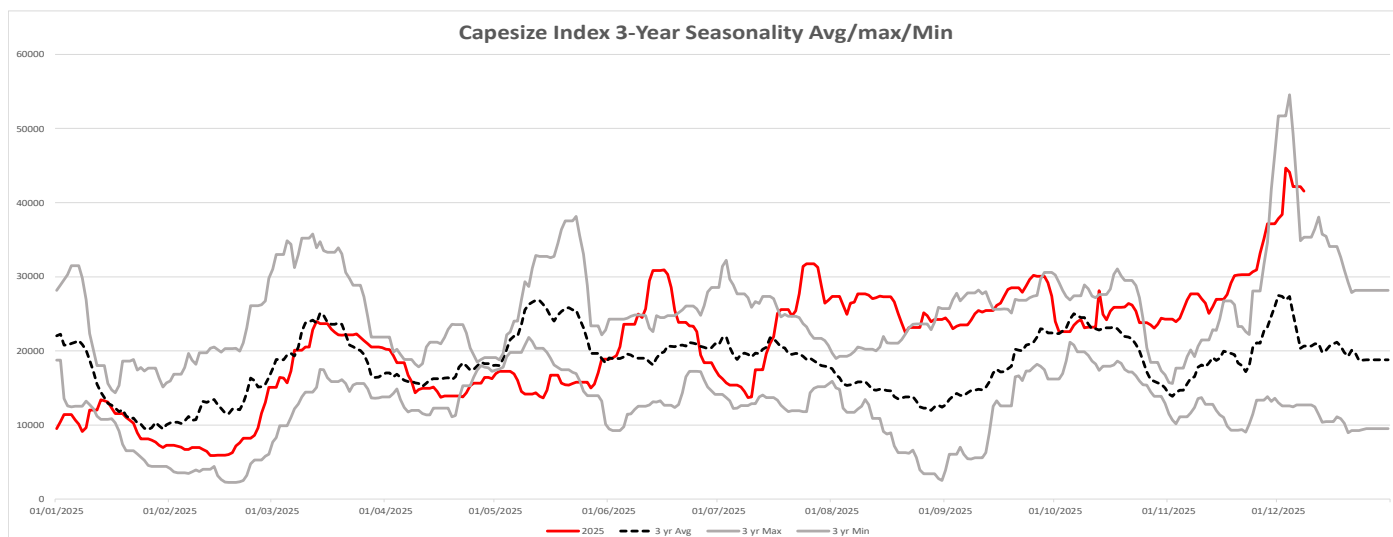


	Support		Resistance	Current Price	Bull	Bear
S1	36,225	R1	45,223	41,571	RSI above 50	Stochastic overbought
S2	33,617	R2	49,353			
S3	30,079	R3	51,472			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the weekly pivot point (USD 41,554)
- Technically bullish on the last report two weeks ago, the MA on the RSI implied that momentum was supported. We noted that if the RSI moved and held above 64, then the USD 31,750—USD 34,276 resistance zone would become vulnerable in the near-term. However, if the index moved above USD 31,750 with the RSI moving above 64, which was then followed by the RSI failing to hold above 64. This would warn that market longs should be cautious, as it would mean that the longer-term negative divergence was coming into play, leaving support levels vulnerable.
- The index moved above USD 31,750 with the RSI holding above 64, resulting in price trading to a high of USD 44,672 before entering into a corrective phase.
- Momentum based on price is aligned to the sell side, a close above USD 42,413 will mean it is aligned to the buy side. Downside moves that hold at or above USD 30,079 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI implies that momentum is supported at this point. The RSI has made new highs alongside price, warning downside moves have the potential to be countertrend, making USD 30,079 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. The index is testing the weekly pivot level (USD 51,554). If we close below it, it will warn that sell side pressure could be increasing in the near-term.



Capesize Jan 26



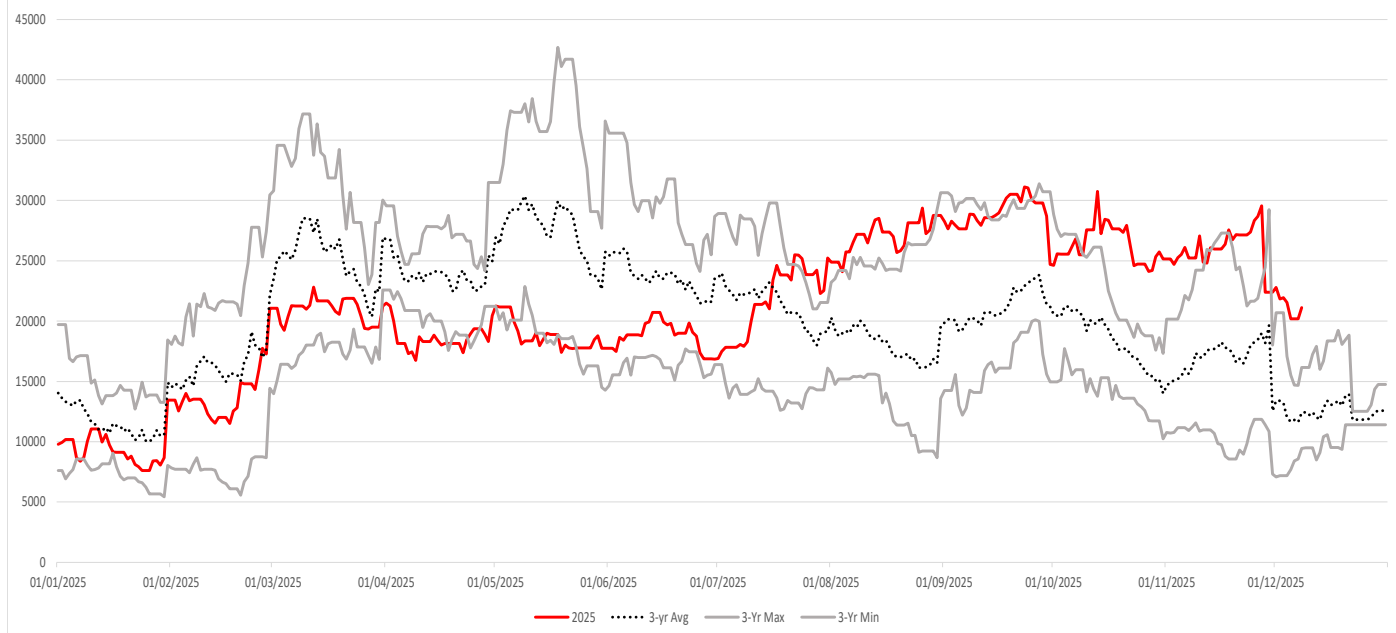
Support	Resistance	Current Price	Bull	Bear
S1	R1	21,125	RSI above 50	
S2	R2			
S3	R3			

Synopsis

- Price is between the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is below 50
- Technically bearish with a neutral bias in the Dec contract two weeks ago, the probability of the futures trading to a new low had started to decrease. However, as highlighted previously, the futures were trading on the intraday 200—period MA (USD 27,183). For upside continuation, we needed to close and hold above the intraday average. Elliott wave analysis suggested that intraday downside moves should be considered as countertrend in the near-term.
- The Dec futures held above the intraday 200-period MA, resulting in a strong move higher. We have now moved to the Jan 26 futures (non-rolling)
- Downside moves that hold at or above USD 19,339 will support a bull argument, below this level the Elliott wave cycle will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI implies we have light momentum weakness, with intraday Elliott wave analysis warning that upside moves look like they could be countertrend, making USD 22,062 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. Note: we are seeing bid support today, as USD 20,090 is two standard deviations below the linear regression line, warning price was overextended to the downside on the open this morning. A close above the linear regression line (USD 21,530) will imply that buyside pressure is increasing, leave the USD 22,062 resistance vulnerable.

Source Bloomberg

Capesize Rolling Front month 3-year Seasonality Avg/Max/Min



Capesize Q1 26

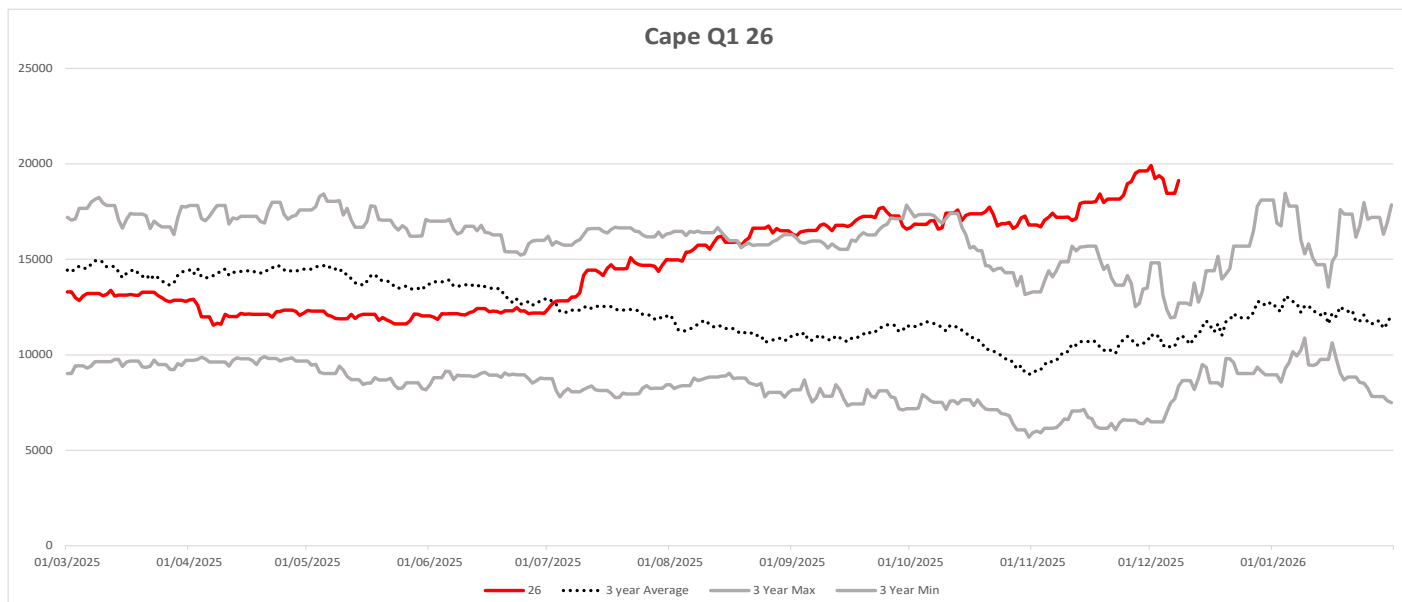


Support		Resistance		Current Price	Bull	Bear
S1	18,470	R1	19,506	19,050	RSI above 50	
S2	17,981	R2	20,050			
S3	17,320	R3	20,764			

Synopsis

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is above 50
- Technically bullish on the last report, the MA on the RSI implied that momentum was supported; countering this, price was in divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown, which needed to be monitored. Lower timeframe Elliott wave analysis did suggest that intraday downside moves should be considered as countertrend in the near-term, making USD 16,818 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease.
- The futures continued to move higher, resulting in the divergence failing, price is currently in a corrective phase. We are between the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 17,320 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the RSI has made a new high alongside price, meaning we maintain our view that downside moves should be considered as countertrend at this point, making USD 17,320 the key support to follow. Below this level then the probability of the futures trading to a new high will start to decrease. Upside moves that fail at or below USD 19,506 will warn that the correction is becoming more complex; conversely, above this level the USD 20,005 fractal high will become vulnerable.



Capesize Cal 26

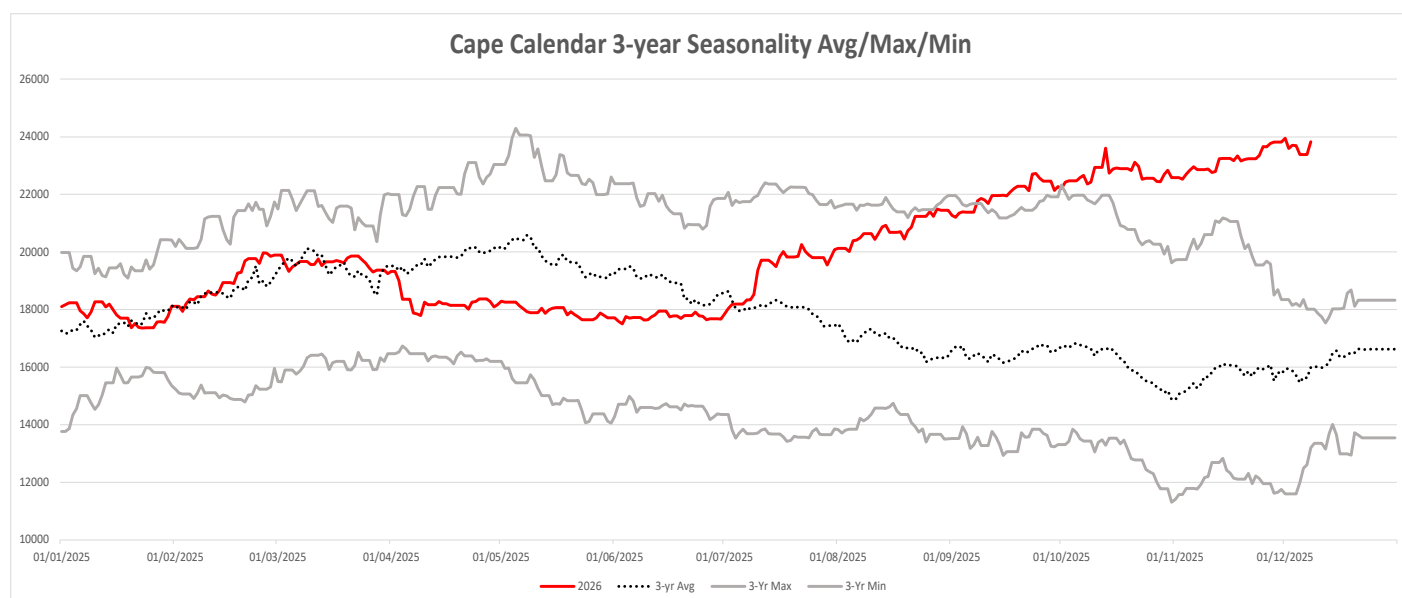


Support	Resistance	Current Price	Bull	Bear
S1	R1	23,700	RSI above 50	
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Technically bullish on the last report, the MA on the RSI implied that momentum was supported. The move above USD 23,083 warned that the USD 23,600 fractal high was vulnerable. Longer-term Elliott wave analysis continued to suggest that downside moves should be considered as countertrend at that point; however, the upside move meant that intraday downside moves should also be considered as countertrend. We noted that market buyer's should be cautious on downside moves below the USD 22,600 level, as the lower low would imply that sell side pressure was increasing.
- The futures traded to a high of USD 24,050 before entering into a corrective phase; however, we are now seeing bid support. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 22,779 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we have a 3-wave intraday move lower that has traded to a low of USD 23,275, this is USD 50 above the intraday 100% Fibonacci projection level. The corrective pattern has been followed by a move above USD 23,825, warning the USD 24,050 fractal high is now vulnerable. Downside moves should be considered as countertrend, if we do trade below USD 22,779 then the probability of the futures trading to a new high will start to decrease.



Capesize C5 Jan 26 (Heikin Ashi Chart)



Support		Resistance		Current Price	Bull	Bear
S1	8.25	R1	8.47	8.37	RSI above 50	Stochastic overbought
S2	8.16	R2	8.60			
S3	8.09	R3	8.75			

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 (53)
- Stochastic is above 50
- Unchanged on the technical previously, we remained bullish but with a neutral bias; however, our view remained neutral. If we trade above USD 10.64 it would put the technical back in bearish territory, warning resistance levels could come under pressure. Conversely, we continued to be cautious on downside breakouts below USD 9.37, as price would be in divergence with the RSI.
- The Dec futures traded to a high of USD 10.87. We are now looking at the Jan 26 contract. Price is between the 8-21 period EMA supported by the RSI above 50.
- Downside moves that hold at or above USD 8.09 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the ADX is at 45, suggesting downside moves should be considered as countertrend, warning the USD 8.60 resistance could come under pressure. This is a key level on the technical, if rejected, it will leave support levels vulnerable; conversely, if broken, then the USD 8.75 fractal high could be tested and broken. We have a 3-wave pattern lower and a high ADX, meaning we are cautious on downside moves at this point.

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