



Capesize Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Index

Technically bullish but with a neutral bias, the probability of the index trading to a new high has started to decrease. The MA on the RSI implies that momentum is weak, whilst the RSI broke support previously on the move lower, warning upside moves have the potential to be countertrend. If we close above the weekly pivot level (USD 30,634) it will indicate that buyside pressure is increasing; however, the technical suggests caution on moves higher whilst below the USD 39,519 level.

Jan 26

Technically bullish, the RSI is above its moving average; however, the MA on the RSI implies that momentum remains weak at this point. Countering this, the close on the 19/12 was above the high of the last dominant bear candle, implying buyside pressure is increasing, warning the USD 21,925 fractal resistance could come back under pressure. If broken, then market bulls will look to test the USD 23,125 high. Conversely, upside moves that fail to close and hold above the linear regression line (USD 21,703) should act with caution, as it will leave support levels vulnerable.

Q1 26

Unchanged on the technical this week, we remain bullish with MA on the RSI implying that momentum remains weak; however, the RSI is in the process of potentially crossing its average, an early sign that momentum could be turning. As highlighted previously, the move above USD 19,438 suggests that downside moves could be countertrend, meaning the USD 20,050 resistance is becoming vulnerable.

Cal 26

Technically bullish, the MA on the RSI implies that momentum is weak; however, the RSI is above the average, warning momentum could be turning to the buyside. As highlighted previously, the futures held above the USD 23,225 Fibonacci projection whilst failing to hold below the trend support line, warning the USD 24,050 fractal high could be tested and broken. We continue to be cautious on downside moves at this point.

C5 Jan 26

Unchanged on the technical last week, we remain bullish with a neutral bias. The move below USD 8.09 previously means that the probability of the futures trading to a new high has started to decrease. As highlighted last week, when price broke key support on the move lower the RSI also broke support, warning upside moves could struggle to hold, making USD 8.51 the key resistance to follow. If rejected it will warn that support levels could come back under pressure. Market bulls will need to see price above the USD 8.51 level.

Capesize Index

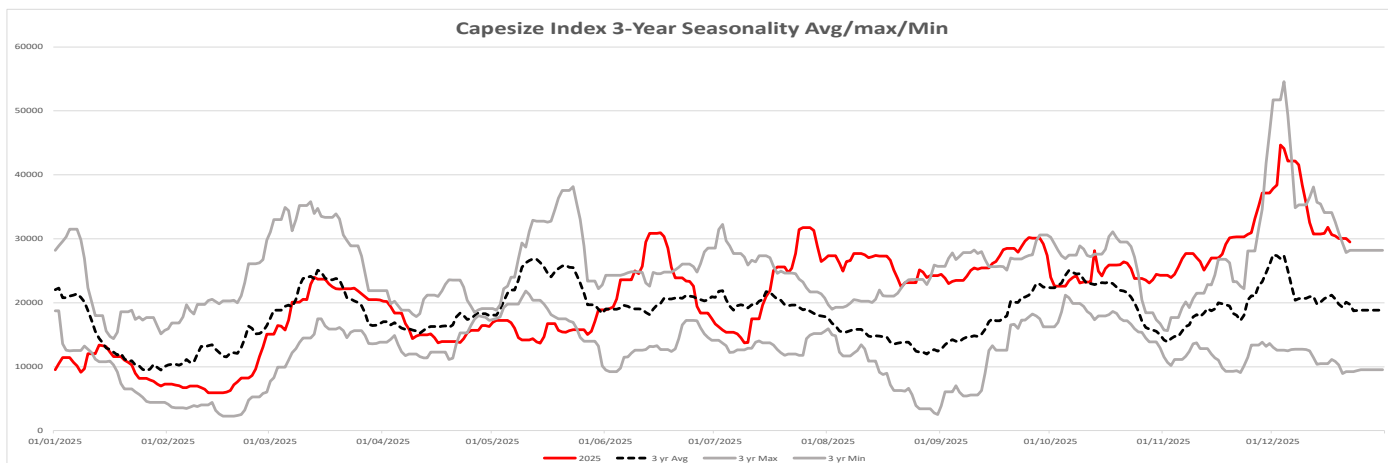


Support		Resistance		Current Price	Bull	Bear
S1	27,293	R1	32,286	29,518	Stochastic oversold	RSI below 50
S2	25,067	R2	35,306			
S3	22,562	R3	39,519			

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 30,634)
- Technically bullish but in a corrective phase last week, the MA on the RSI implied that momentum was weakening. The downside index was still above the USD 30,079 support with price turning higher on the 15/12. Below USD 30,079 the probability of the index trading to a new high would start to decrease. If we held support and closed and held above the linear regression line (USD 32,006), it would warn that the Fibonacci resistance zone could come under pressure. Upside moves that failed at or below USD 39,932 would warn that there was further downside within the corrective phase. We noted that the RSI had broken support (highlighted, red circle), implying that the next move higher could struggle to hold. We were in bull territory still, but moment suggested caution, as the USD 39,932 resistance could hold if tested.
- The index moved higher for two days, rejected the linear regression line (USD 32,286), resulting in the USD 30,079 support being broken. We are below the 8-21 period EMA's with the RSI below 50.
- Momentum based on price is aligned to the sell side, a close above USD 30,296 will mean it is aligned to the buy side. Upside moves that fail at or below USD 39,519 will leave the index vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Technically bullish but with a neutral bias, the probability of the index trading to a new high has started to decrease. The MA on the RSI implies that momentum is weak, whilst the RSI broke support previously on the move lower, warning upside moves have the potential to be countertrend. If we close above the weekly pivot level (USD 30,634) it will indicate that buy side pressure is increasing; however, the technical suggests caution on moves higher whilst below the USD 39,519 level.



Capesize Jan 26

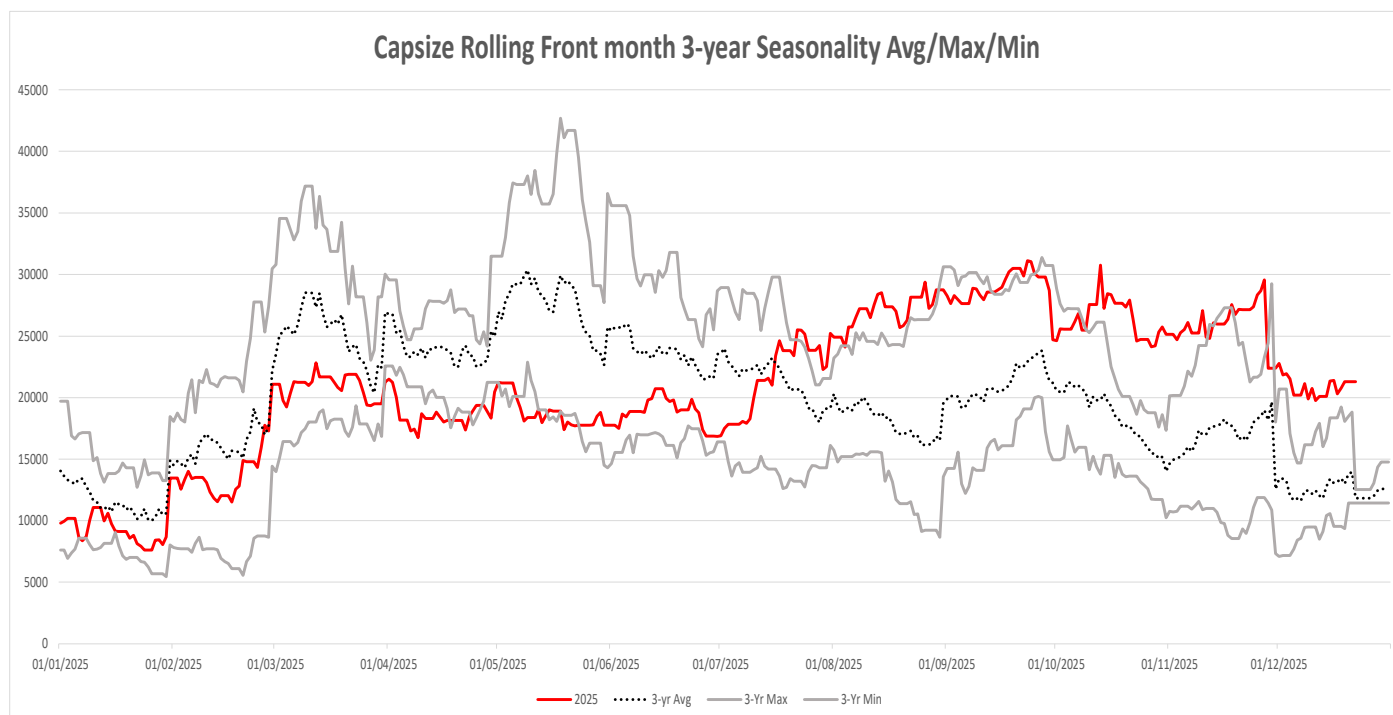


Support	Resistance	Current Price	Bull	Bear
S1	R1	21,300	RSI above 50	
S2	R2			
S3	R3			

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is at 50
- Technically bullish with a neutral bias last week, we noted that the move below USD 19,339 suggested that the probability of the futures trading to a new high had started to decrease. However, the bullish intraday kicker candle pattern on the 12/12 indicated otherwise, as it warned that there had been a potential change in sentiment, meaning the USD 21,782 resistance was looking vulnerable. If rejected, market bulls should act with caution. Likewise, if broken, then the USD 23,125 fractal high would become vulnerable.
- The futures traded above USD 21,782 on the intraday kicker pattern before entering into a corrective phase. Price is back in bullish territory with the futures seeing light bid support. We are above all key moving averages with the RSI above 50.
- Downside moves the hold at or above USD 19,339 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the RSI is above its moving average; however, the MA on the RSI implies that momentum remains weak at this point. Countering this, the close on the 19/12 was above the high of the last dominant bear candle, implying buyside pressure is increasing, warning the USD 21,925 fractal resistance could come back under pressure. If broken, then market bulls will look to test the USD 23,125 high. Conversely, upside moves that fail to close and hold above the linear regression line (USD 21,703) should act with caution, as it will leave support levels vulnerable.

Source Bloomberg



Capesize Q1 26

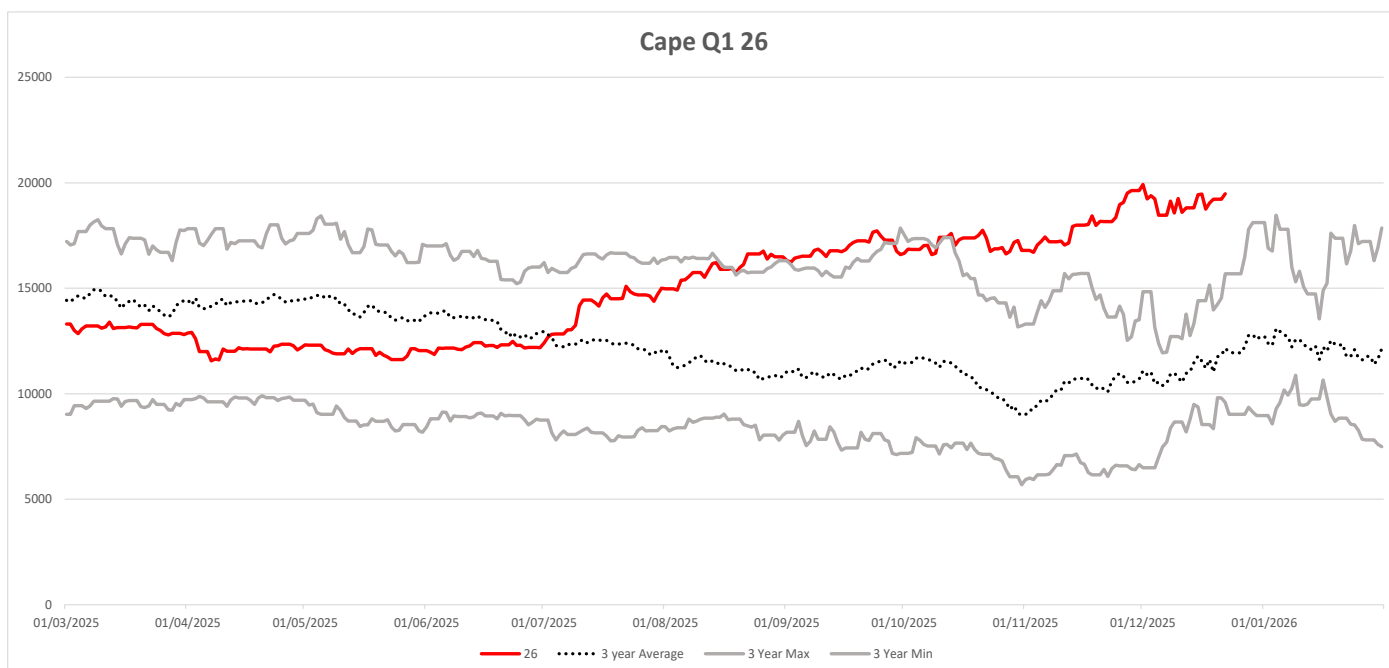


Support	Resistance	Current Price	Bull	Bear
S1	R1	19,475	RSI above 50	
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is above 50
- Technically bullish last week, the MA on the RSI implied that we had light momentum weakness; however, the move above USD 19,438 warned that the USD 20,050 fractal high was vulnerable. The break in key resistance suggested that downside moves should be countertrend, meaning we were cautious on corrective moves lower.
- The futures traded to a high of USD 19,725 before seeing a corrective move lower; however, the move failed to hold, resulting in price trading back at last week levels. We are above all key moving averages supported by 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.
- Unchanged on the technical this week, we remain bullish with MA on the RSI implying that momentum remains weak; however, the RSI is in the process of potentially crossing its average, an early sign that momentum could be turning. As highlighted previously, the move above USD 19,438 suggests that downside moves could be countertrend, meaning the USD 20,050 resistance is becoming vulnerable.



Capesize Cal 26

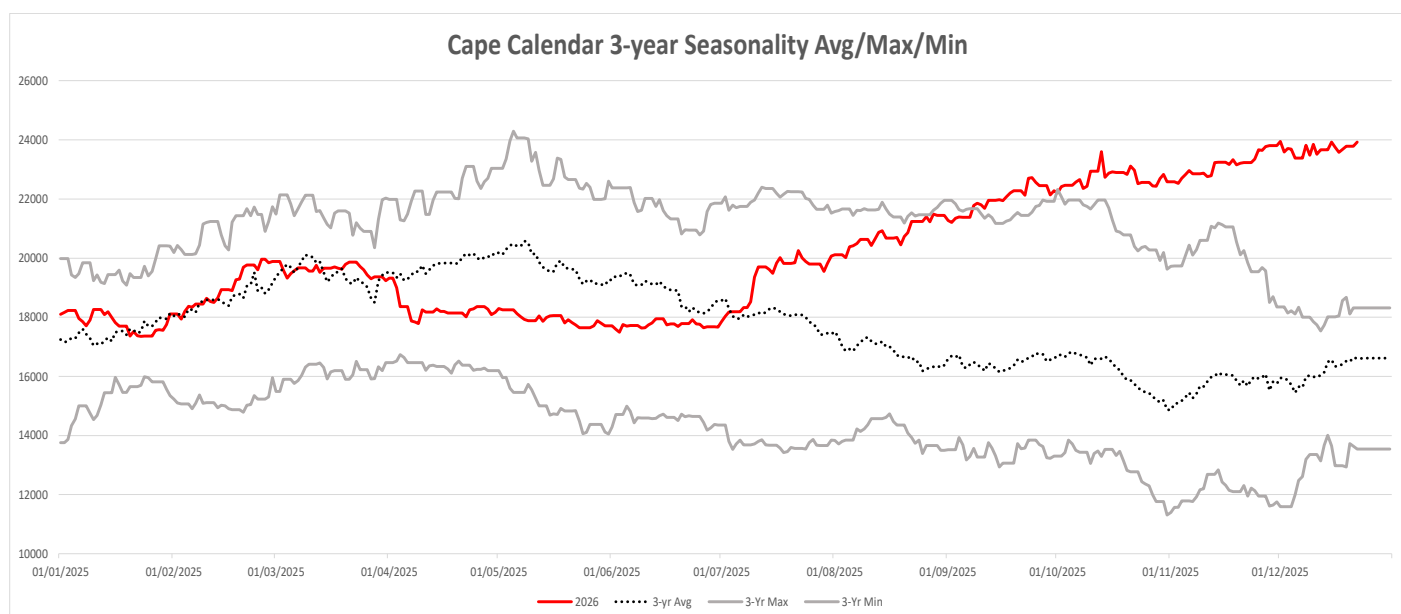


Support	Resistance	Current Price	Bull	Bear
S1	R1	23,925	RSI above 50	
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is above 50
- Technically bullish last week, we had highlighted previously that the 3-wave pattern lower that had held above the USD 23,225 Fibonacci projection, meaning we were cautious on downside moves, making USD 22,779 the key support to follow. Below this level the probability of the futures trading to a new high would start to decrease. The USD 24,050 resistance remains vulnerable at that point; however, we noted that if we did close and hold below the trend support line (USD 23,548), it would warn that sell side pressure was increasing.
- The futures closed but failed to hold below the trend support line (USD 23,606), resulting in price moving higher. 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, the MA on the RSI implies that momentum is weak; however, the RSI is above the average, warning momentum could be turning to the buyside. As highlighted previously, the futures held above the USD 23,225 Fibonacci projection whilst failing to hold below the trend support line, warning the USD 24,050 fractal high could be tested and broken. We continue to be cautious on downside moves at this point.



Capesize C5 Jan 26 (Heiken Ashi Chart)



Support	Resistance	Current Price	Bull	Bear
S1	R1	8.25	Stochastic oversold	
S2	R2			
S3	R3			

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 at 50 (50)
- Stochastic is oversold
- Technically bullish with a neutral bias last week, the move below USD 8.09 meant that the probability of the futures trading to a new high had started to decrease. We noted that when price broke key support, the RSI also broke support, warning upside moves could now struggle to hold, making USD 8.51 the key resistance to follow. If rejected it would warn that support levels could come back under pressure. Market bulls needed to see price above the USD 8.51 level.
- The futures traded to a high of USD 8.26 and a low of USD 8.10 before trading back at last weeks levels. We remain below the 8-21 period EMA's with the RSI neutral at 50.
- Upside moves that fail at or below USD 8.51 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Unchanged on the technical last week, we remain bullish with a neutral bias. The move below USD 8.09 previously means that the probability of the futures trading to a new high has started to decrease. As highlighted last week, when price broke key support on the move lower the RSI also broke support, warning upside moves could struggle to hold, making USD 8.51 the key resistance to follow. If rejected it will warn that support levels could come back under pressure. Market bulls will need to see price above the USD 8.51 level.

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