



Capesize Technical Report

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

Index

Technical outlook: Buyside pressure increasing.

Having held RSI support the index is now above the weekly pivot level at USD 19,833, indicating we are seeing an increase in buyside pressure, warning the USD 200-period MA at USD 23,863 could be tested. This is the next logical upside target, and a benchmark average; a close that holds above the longer period MA will warn that sentiment is turning bullish, leaving the Fibonacci resistance zone vulnerable. Conversely, a close that holds below the USD 19,833 level will indicate momentum weakness, warning the USD 16,226 fractal low could come back under pressure.

Feb 26

Technical Outlook: Cautious bull.

The recent rally has created a minor intraday divergence, with Fibonacci projections targeting USD 22,583. However, resistance is clustered above, with the intraday 200-period MA at USD 22,071 and the daily 200-period MA at USD 22,683. Price remains above the weekly 200-period MA at USD 20,071. Holding above this level, followed by a close above the daily 200-period MA, should allow the lower-timeframe Elliott wave to extend and invalidate the intraday divergence. The bias remains bullish, but with caution while below the daily 200-period MA. Above it, confidence in the upside increases.

Q2 26

Technical outlook: Bullish.

The recent rally means the futures remain more than USD 4,000 above the 55-period EMA. The daily RSI is becoming overextended at 79, while a minor negative divergence is present on the intraday RSI, suggesting near-term vulnerability to a momentum slowdown. That said, Elliott wave analysis continues to imply that any downside should be viewed as countertrend. Price action between 21–26 January remains strong and, so far, shows no signs of a pullback. With price acting as the lead indicator, resistance remains vulnerable unless reversal patterns or small-body candles begin to emerge.

Cal 27

Technical Outlook: Bullish.

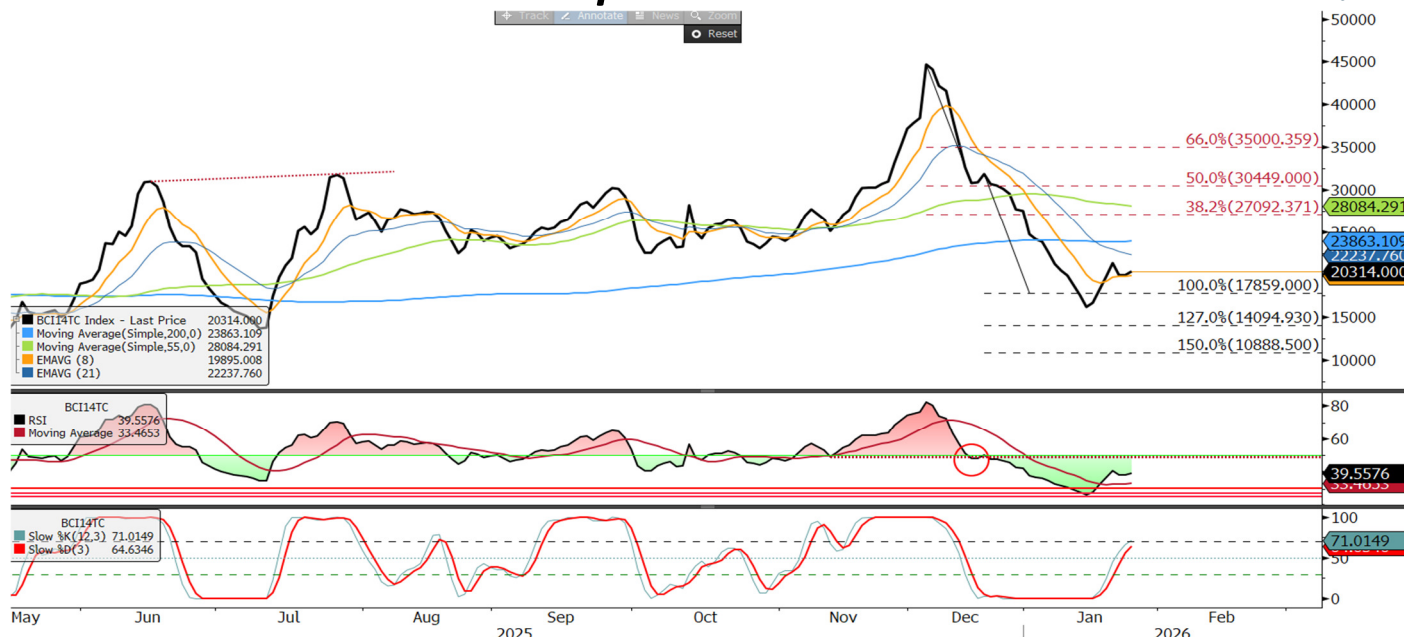
The RSI continues to make new highs in line with price, while Elliott wave analysis suggests that any downside moves should be viewed as countertrend. However, a minor intraday RSI divergence and an overextended daily RSI at 86 leave price vulnerable to a technical throwback. Offsetting this, the RSI moving average indicates momentum remains supported. A daily close below the last dominant bull candle — currently at USD 25,050, rising to approximately USD 25,600 if current levels persist into the close — would warn of increasing sell-side pressure and signal the potential start of a countertrend corrective phase.

C5 Feb 26

Technical outlook: Bullish.

The upside break above fractal resistance has been confirmed by the RSI, while momentum strength is reinforced by the RSI moving average turning higher. However, we would like to see the ADX, currently at 42, turn higher to confirm the transition into a trending environment. For now, momentum strength suggests that any downside moves should be viewed as countertrend, making USD 7.54 the key support level to monitor. A break below this level would weaken the near-term bullish structure and signal that the probability of price making new highs is starting to decrease.

Capesize Index

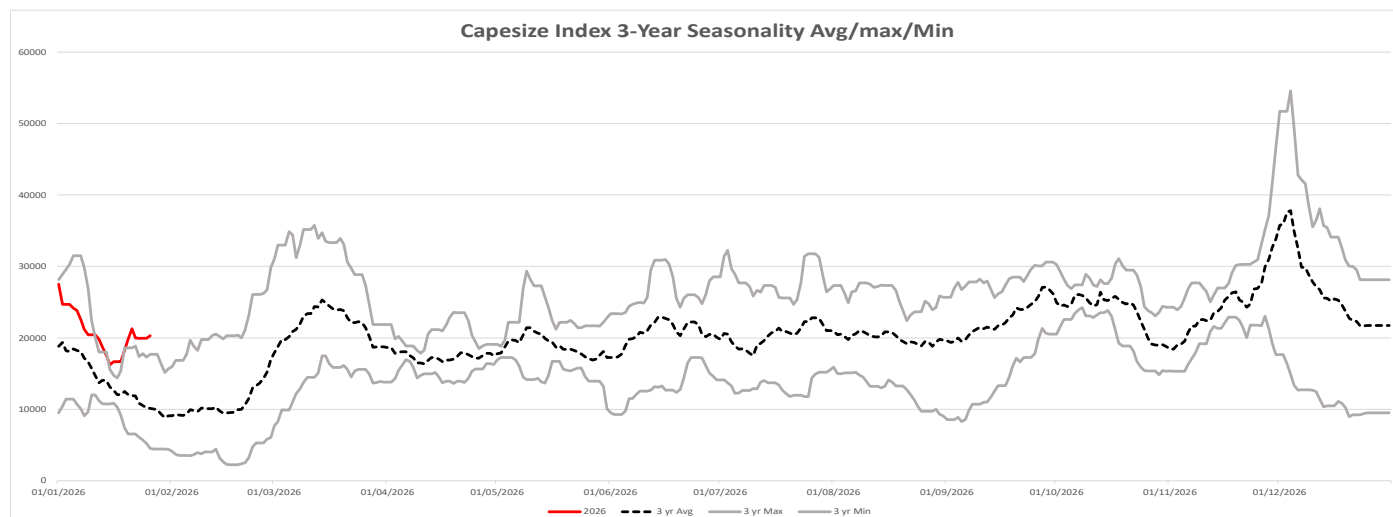


	Support	Resistance	Current Price	Bull	Bear
S1	19,833	R1	23,863		RSI below 50
S2	17,859	R2	27,092		
S3	17,578	R3	30,449		

Synopsis

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is above 50
- Price is above the weekly pivot point (USD 19,833)
- Technical outlook last week: Cautious bear—RSI support had held the previous week, resulting in price closing above the weekly pivot at USD 17,578 on 19/01, signaling increasing buy-side pressure. While the RSI moving average continues to point to momentum weakness, the RSI itself is testing its average. A sustained close that held above this level would confirm further improvement in buy-side pressure. A close back below the weekly pivot would indicate weakening price action; however, with RSI support holding, downside moves should be treated with caution at current levels. Early signs of technical strength suggest the 200-period moving average at USD 23,849 could come under pressure.
- The index remains supported with price now between the 8-21 period EMA's, the RSI is still below 50
- Momentum based on price is aligned to the buyside, a close below USD 20,043 will mean it is aligned to the sell side. Upside moves that fail at or below USD 35,000 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Buyside pressure increasing.
- Having held RSI support the index is now above the weekly pivot level at USD 19,833, indicating we are seeing an increase in buyside pressure, warning the USD 200-period MA at USD 23,863 could be tested. This is the next logical upside target, and a benchmark average; a close that holds above the longer period MA will warn that sentiment is turning bullish, leaving the Fibonacci resistance zone vulnerable. Conversely, a close that holds below the USD 19,833 level will indicate momentum weakness, warning the USD 16,226 fractal low could come back under pressure.



Capesize Feb 26

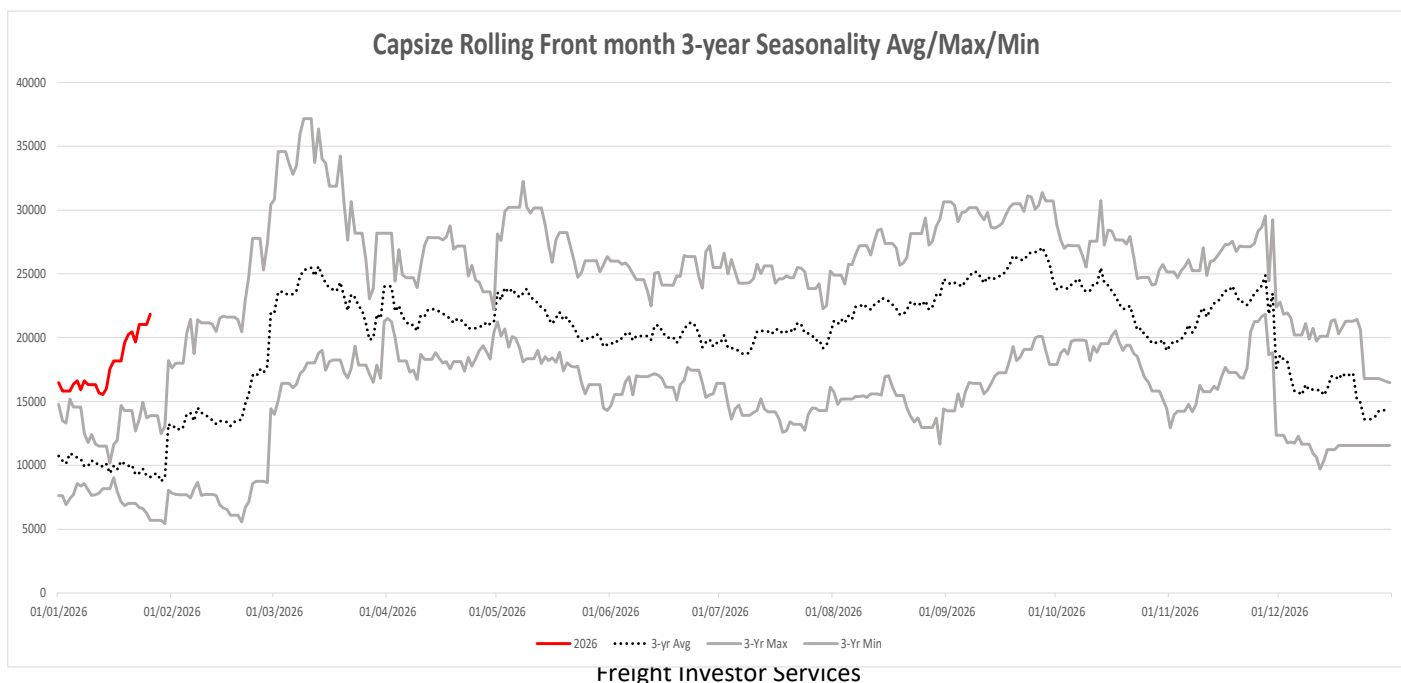


	Support	Resistance	Current Price	Bull	Bear
S1	19,546	R1	22,583	RSI above 50	Stochastic overbought
S2	18,875	R2	23,591		
S3	17,670	R3	24,875		

Synopsis

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Technical outlook last week: Cautious bear. The upside move driven by the positive divergence saw futures test, but remain below, USD 19,792 resistance. This level remained key: a break above USD 19,792 would signal a further increase in buy-side pressure and reduce the probability of price making a new low. The RSI moving average had turned higher following the divergence, indicating emerging momentum support and warranting continued caution on technical throwbacks. Conversely, a break below USD 16,811 would negate the bullish impetus and warn that the USD 15,750 fractal low could come back under pressure.
- The futures continued to move higher on the momentum support, the technical is now bullish. Price is above the 8-21 period MA supported by the RSI above 50.
- Downside moves that hold at or above USD 17,670 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Cautious bull.
- The recent rally has created a minor intraday divergence, with Fibonacci projections targeting USD 22,583. However, resistance is clustered above, with the intraday 200-period MA at USD 22,071 and the daily 200-period MA at USD 22,683. Price remains above the weekly 200-period MA at USD 20,071. Holding above this level, followed by a close above the daily 200-period MA, should allow the lower-timeframe Elliott wave to extend and invalidate the intraday divergence. The bias remains bullish, but with caution while below the daily 200-period MA. Above it, confidence in the upside increases.

Source Bloomberg



Capesize Q2 26

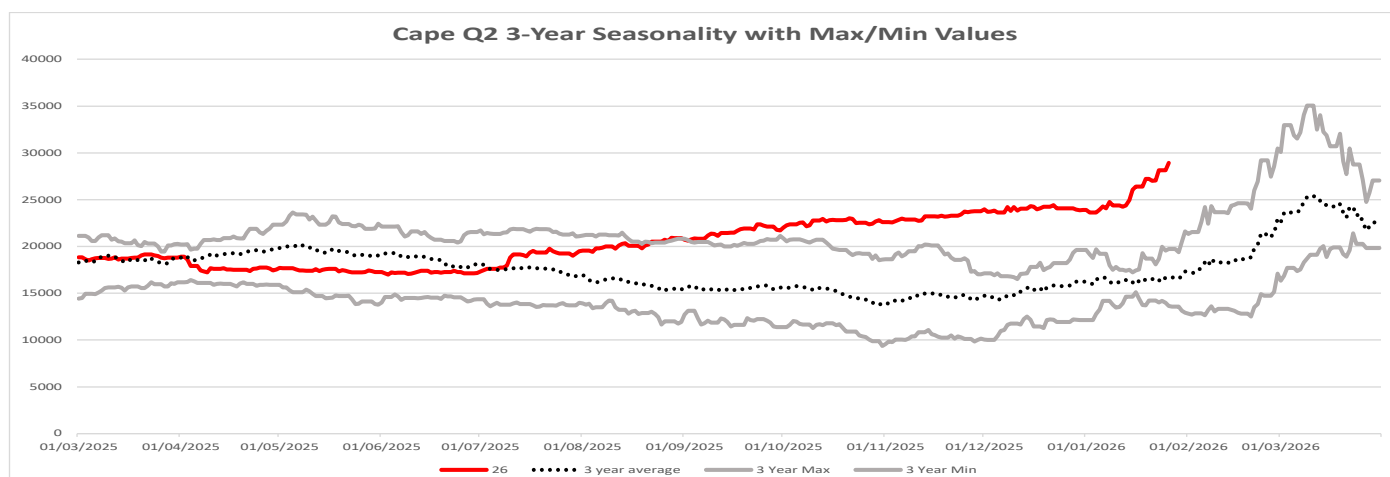


Support	Resistance	Current Price	Bull	Bear
S1	R1	28,900	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (79)
- Stochastic is overbought
- Technical outlook last week: Bullish. The upside breakout previously had resulted in a divergence failure, with RSI making new highs, indicating that downside moves should be treated as countertrend. Futures were trading more than USD 4,000 above the 55-period moving average, leaving price vulnerable to a degree of mean reversion. A 3-period Hi/Lo/CI moving average (offset by one period, USD 25,808) has been added; a daily close below this level would warn that sell-side pressure was increasing and leave Fibonacci support vulnerable in the near term. USD 23,776 as highlighted as a key level, as a break below it would weaken the broader bullish structure and signal rising sell-side pressure. While the mean-reversion gap suggests price is vulnerable to a pullback, any downside move was likely to remain countertrend.
- The futures had a 1-day pullback from USD 27,950 to USD 26,550 on the 21/01 into the open on the 22/01. However, price failed to close below the 3-period Hi/Lo/CI moving average, resulting in the futures trading to new highs. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 24,380 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Bullish.
- The recent rally means the futures remain more than USD 4,000 above the 55-period EMA. The daily RSI is becoming overextended at 79, while a minor negative divergence is present on the intraday RSI, suggesting near-term vulnerability to a momentum slow-down. That said, Elliott wave analysis continues to imply that any downside should be viewed as countertrend. Price action between 21–26 January remains strong and, so far, shows no signs of a pullback. With price acting as the lead indicator, resistance remains vulnerable unless reversal patterns or small-body candles begin to emerge.



Capesize Cal 27



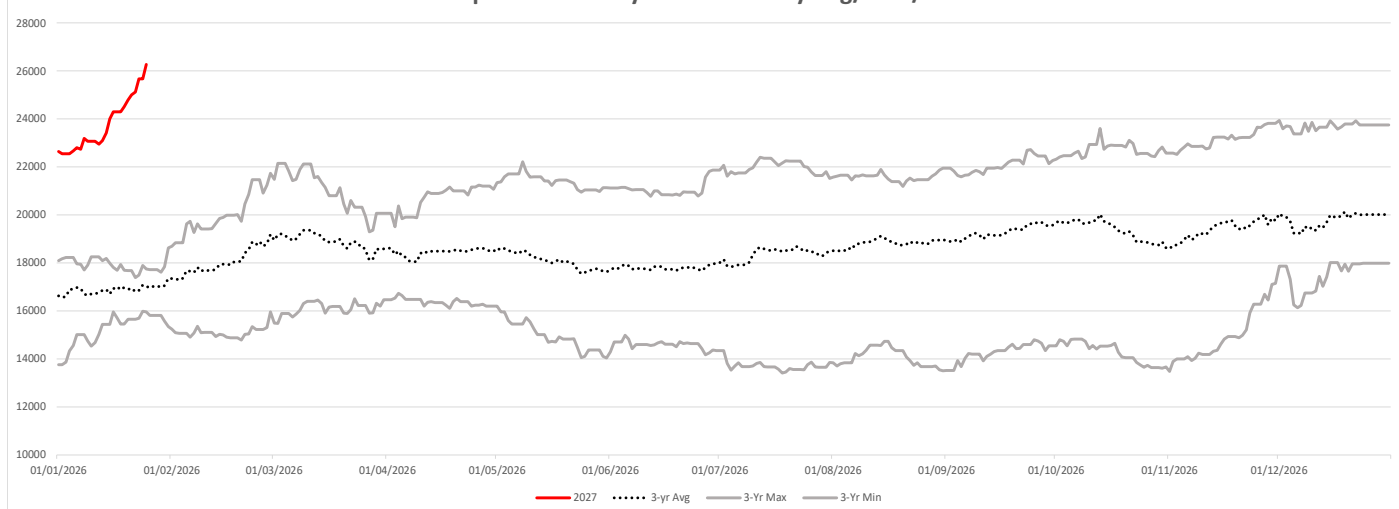
Support		Resistance		Current Price	Bull	Bear
S1	24,495	R1	26,500	26,125	RSI above 50	Stochastic overbought
S2	23,937	R2	27,444			
S3	23,181	R3	28,028			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (86)
- Stochastic is overbought
- Technical outlook last week: Bullish. As highlighted previously, the divergence failure had resulted in a lower timeframe, bullish Elliott wave extension. The RSI moving average indicated momentum support, while Elliott wave analysis suggested downside moves should be treated as countertrend, making USD 22,620 the key support level. A break below USD 22,620 would weaken the near-term bullish structure; however, the broader structure remains bullish above USD 20,640 and neutral below. On the downside, a close below the dominant bull candle of the 16/01 at USD 24,025 would warn that sell-side pressure was increasing and signal the potential start of a corrective phase.
- The futures continue to trade higher have failed to produce a close below a dominant bull candle. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 23,181 will support a bull argument, below this level will the technical will have a neutral bias.
- Technical Outlook: Bullish.
- The RSI continues to make new highs in line with price, while Elliott wave analysis suggests that any downside moves should be viewed as countertrend. However, a minor intraday RSI divergence and an overextended daily RSI at 86 leave price vulnerable to a technical throwback. Offsetting this, the RSI moving average indicates momentum remains supported. A daily close below the last dominant bull candle — currently at USD 25,050, rising to approximately USD 25,600 if current levels persist into the close — would warn of increasing sell-side pressure and signal the potential start of a countertrend corrective phase.

Cape Calendar 3-year Seasonality Avg/Max/Min



Capesize C5 Feb 26 (Heikin Ashi Chart)



Support		Resistance		Current Price	Bull	Bear
S1	7.90	R1	8.90	8.50		Stochastic overbought
S2	7.54	R2	9.21			
S3	7.10	R3	9.71			

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 at 50 (50)
- Stochastic is overbought
- Technical outlook last week: Cautious bear. The mid-price of the bid–offer spread valued the February contract at USD 7.90. We noted that a close at that level would place price above USD 7.87 resistance, reducing the probability of a move to new lows. The ADX was declining; however, a renewed rise in the coming days would imply increasing buy-side pressure, warranting caution on downside moves. The close is critical for this setup: a close above USD 7.87 would confirm an increase in buy-side pressure based on price action.
- The futures closed above the USD 7.87 leave resulting in a continued move higher, the technical is now bullish. We are above all key moving averages (based on current values) with the RSI above 50.
- Downside moves that hold at or above USD 7.54 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Bullish.
- The upside break above fractal resistance has been confirmed by the RSI, while momentum strength is reinforced by the RSI moving average turning higher. However, we would like to see the ADX, currently at 42, turn higher to confirm the transition into a trending environment. For now, momentum strength suggests that any downside moves should be viewed as countertrend, making USD 7.54 the key support level to monitor. A break below this level would weaken the near-term bullish structure and signal that the probability of price making new highs is starting to decrease.