



Capesize Technical Report

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Index

Technical outlook: Buyside pressure increasing

The throwback held above the USD 28,487 level, implying there was an underlying support in the market, resulting in price moving higher. We identify USD 40,435 as the key resistance to follow, pullbacks that fail at or below this level will warn that the corrective phase could become more complex. Both price and the RSI are making new highs, meaning we have bullish momentum confirmation, we also note that the RSI is breaking trend resistance at 51; if the trend break holds, then resistance could come under further pressure.

Aug 26

Technical Outlook: Buyside pressure increasing

The move below USD 29,167 took the technical into neutral territory; however, the bid support is replicated by the RSI signaling bullish momentum confirmation. We also note that the RSI has moved above 60; if we hold above the 60 level it will signal an increase in buyside pressure. Strong bull candles having failed to hold below the 200-period MA imply momentum is supported, warning that the USD 36,482 resistance is vulnerable. This is a key level, if rejected it will warn that the corrective phase could become more complex.

Q4 26

Technical outlook: Downside moves considered as countertrend.

The upside move to new highs is replicated by the RSI, meaning we have bullish momentum confirmation. We also note that the RSI is above the 70 level, supporting a trending environment, warning downside moves should be considered as countertrend. We identify USD 32,439 as a key near-term support to follow, throwbacks that break this level will reduce the probability of price trading to a new high.

Cal 27

Technical Outlook: downside moves considered as countertrend

The upside moves to new highs has resulted in bullish momentum confirmation, we also noted that the RSI has broken the 60 level and is now above 70, supporting a trending environment. This would suggest that throwbacks should be considered as countertrend, providing we remain above the USD 27,018 level. Below USD 27,018, the probability of price trading to a new high will begin to decrease.

C5 Aug 26

Technical outlook: Upside moves considered as countertrend

The downside move below the USD 11.64 fractal support means price has entered bearish territory. The ADX is at 25, meaning we remain in a trending environment; however, the ADX is moving lower, warning the upside move is potentially countertrend. On the buyside, the RSI is above 50, indicating we have positive velocity and acceleration. For the USD 13.50 resistance to come under pressure, we will need to see a close and hold above the 55-period EMA at USD 12.30; a rejection of the average will signal further weakness in the technical.

Capesize Index

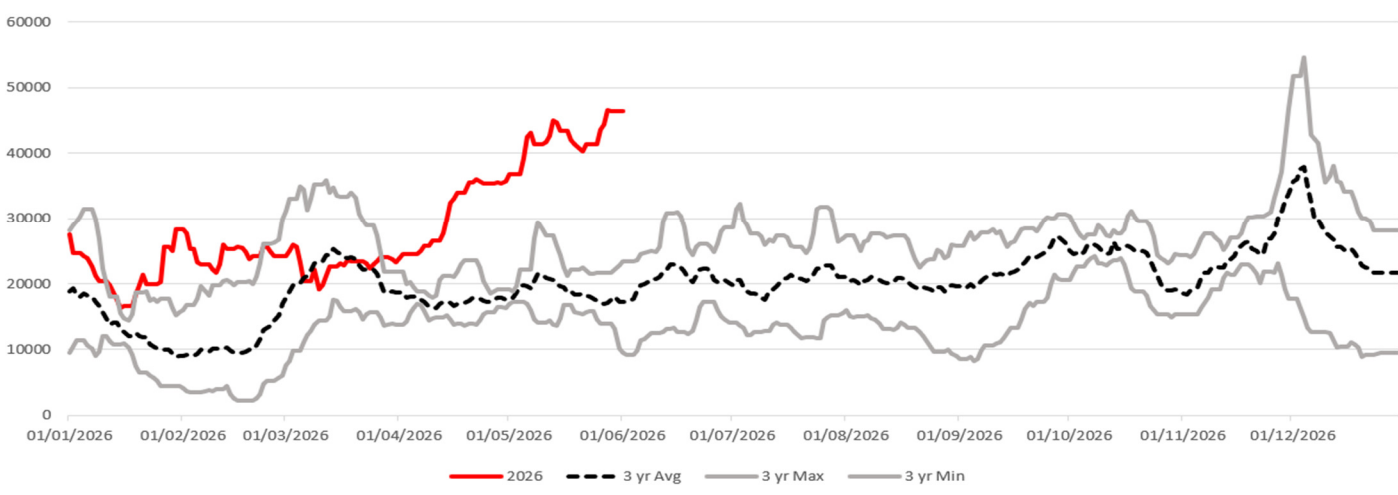


	Support	Resistance	Current Price	Bull	Bear
S1	28,487	R1	37,563	RSI above 50	
S2	25,040	R2	40,435		
S3	19,188	R3	42,696		

Synopsis Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (54)
- Stochastic is below 50
- Price is above the weekly pivot point (USD 31,981)
- Technical outlook Previously: Negative divergence in play
- We noted in the last report on the 06/06/26 that the upside move to a new high had resulted price and the RSI diverging, warning buy side momentum could slow down; this divergence was also in play on the slow stochastic. Although bullish based on price, the momentum slowdown suggests that price was vulnerable to a corrective move lower.
- The index trade to a high of USD 46,538 the following day before selling to a low of USD 28,588, We are now seeing bid support with price above the 8-21 period EMA's while the RSI is above 50.
- Momentum based on price is aligned to the buy side, a close below USD 32,807 would mean it is aligned to the sell side. Downside moves that hold at or above USD 28,487 would support a bull argument, below this level the technical would re-enter bearish territory.
- Technical outlook: Buyside pressure increasing
- The throwback held above the USD 28,487 level, implying there was an underlying support in the market, resulting in price moving higher. We identify USD 40,435 as the key resistance to follow, pullbacks that fail at or below this level will warn that the corrective phase could become more complex. Both price and the RSI are making new highs, meaning we have bullish momentum confirmation, we also note that the RSI is breaking trend resistance at 51; if the trend break holds, then resistance could come under further pressure.

Capesize Index 3-Year Seasonality Avg/max/Min



Capesize Aug 26



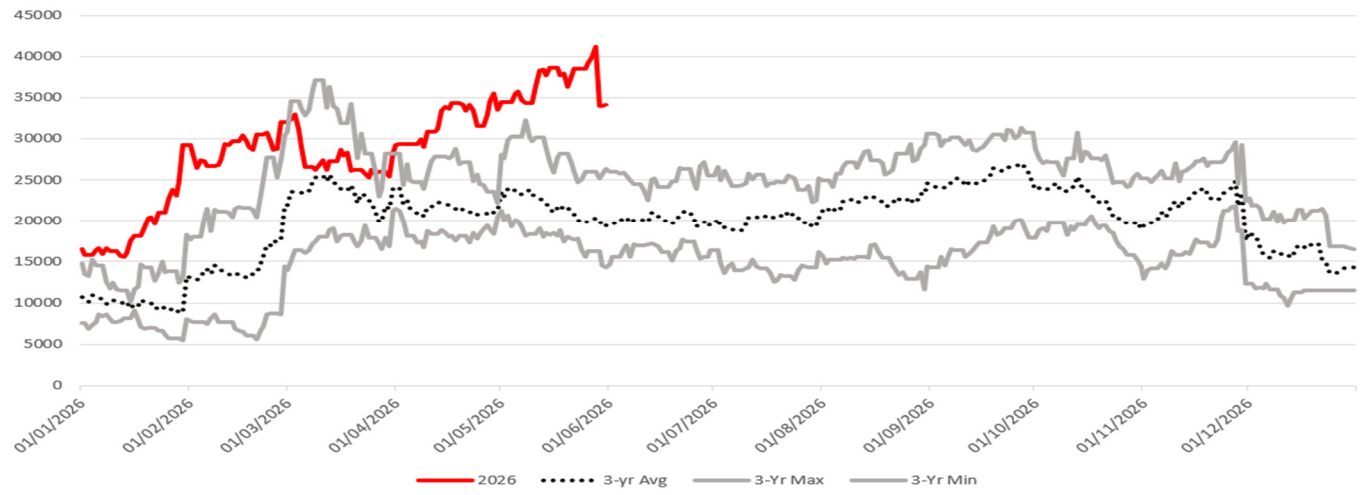
	Support	Resistance	Current Price	Bull	Bear
S1	29,167	R1	35,425	RSI above 50	Stochastic overbought
S2	27,653	R2			
S3	26,789	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Technical Outlook Previously: Holding the 55 EMA support
- The depth of the pullback previously on the intraday Elliott wave cycle warned that upside moves have the potential to be countertrend in the near-term. However, we had highlighted in the intraday technical, gaps on rolls could produce a degree of uncertainty, as the technical was vulnerable to missing waves. The pullback had resulted in price testing the 55-period EMA at USD 33,566. If we held above it, then we could look to test our key resistance at USD 39,032. A rejection at or below this level would suggest that price is vulnerable to another corrective move lower; Conversely, if breached, then the probability of the futures trading to a new low would begin to decrease. For downside continuation price would need to close and hold below the 55-period EMA, until we did, we have a note of caution on lower moves.
- The futures closed and held below the 55-period EMA, resulting in price selling to a low of USD 26,500; however, a positive divergence and a gap higher on the roll into August put price back above the 200-period MA at USD 27,653. Bullish price action subsequently followed.
- Upside moves that fail at or below USD 36,482 will leave the technical vulnerable to further tests to the downside, above this level we will re-enter bullish territory.
- Technical Outlook: Buyside pressure increasing
- The move below USD 29,167 took the technical into neutral territory; however, the bid support is replicated by the RSI signaling bullish momentum confirmation. We also note that the RSI has moved above 60; if we hold above the 60 level it will signal an increase in buyside pressure. Strong bull candles having failed to hold below the 200-period MA imply momentum is supported, warning that the USD 36,482 resistance is vulnerable. This is a key level, if rejected it will warn that the corrective phase could become more complex.

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



Capesize Q4 26



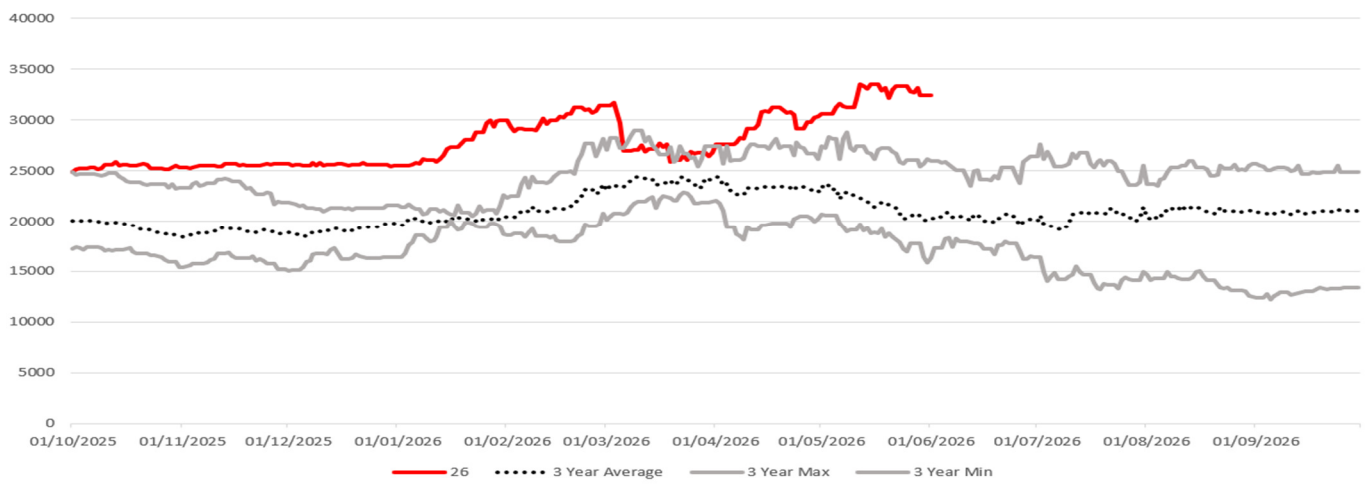
	Support	Resistance	Current Price	Bull	Bear
S1	33,739	R1	35,425	RSI above 50	Stochastic overbought
S2	33,187	R2			
S3	32,439	R3			

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (75)
- Stochastic is above 50
- Technical outlook Previously: Supported
- Price remained supported in the last report on the Q3 contract; however, the upside move has failed to trade above the USD 33,650 fractal high. In theory, the upside resistance levels remained vulnerable. The alternative was known as truncation, this would be where the lower timeframe Elliott wave cycle had failed to trade above the peak of the wave 3 (USD 32,650). The RSI had moved below 60 but price remains above the near-term fractal support at USD 31,950; A move below this level will create a failed swing high, warning sell side pressure is on the increase. This technical was in balance.
- The futures produce a failed swing high resulting in the Elliott wave truncating and entering a corrective phase; post correction the futures have traded to new highs. We have since rolled over to the Q4 contract. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 32,439 will support a longer-term bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Downside moves considered as countertrend.
- The upside move to new highs is replicated by the RSI, meaning we have bullish momentum confirmation. We also note that the RSI is above the 70 level, supporting a trending environment, warning downside moves should be considered as countertrend. We identify USD 32,439 as a key near-term support to follow, throwbacks that break this level will reduce the probability of price trading to a new high.

Cape Q3 3-Year Seasonality with Max/Min Values



Capesize Cal 27



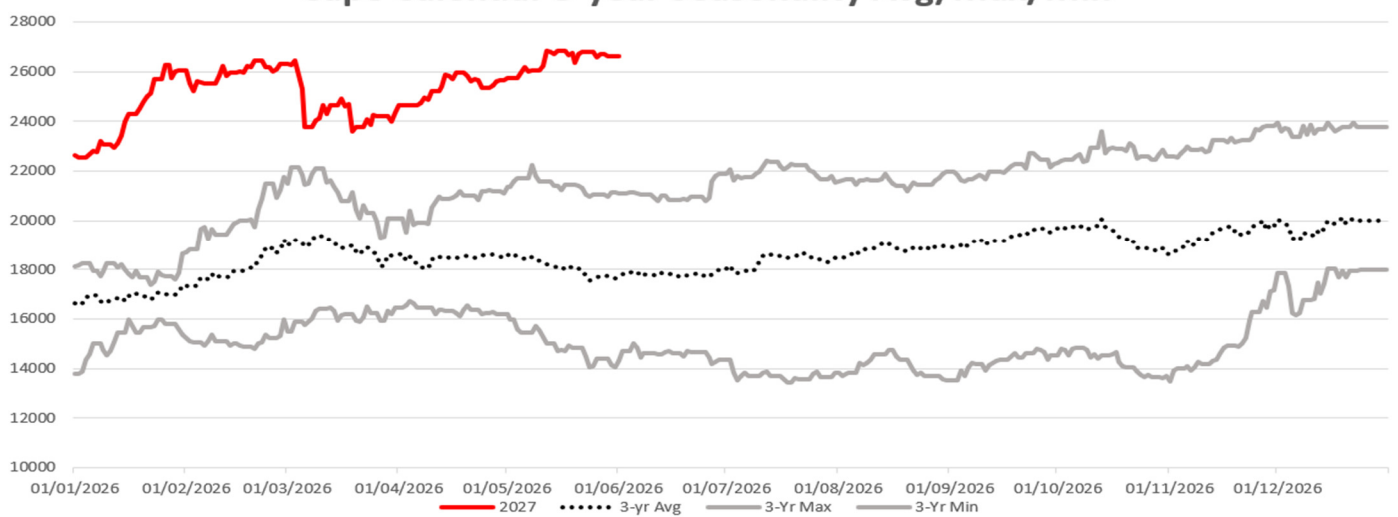
	Support	Resistance	Current Price	Bull	Bear
S1	27,758	R1	29,177	RSI above 50	Stochastic overbought
S2	27,018	R2	30,006		
S3	26,113	R3	31,053		

Synopsis

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (76)
- Stochastic is overbought
- Technical Outlook last week: Supported
- We noted previously that price was consolidating between USD 26,200 and USD 26,900, near-term price action was considered as neutral. In theory, the momentum confirmation previously suggested that the USD 26,900 fractal high could be tested and broken; if it was, we had the potential to test the USD 27,501 resistance. Conversely, a close and bold below USD 26,200 would signal a weakening technical structure.
- The futures broke to the upside resulting in the USD 27,501 resistance being tested and broken. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 24,27,018 will support a bull argument, below this level will the technical will have a neutral bias.
- Technical Outlook: downside moves considered as countertrend
- The upside moves to new highs has resulted in bullish momentum confirmation, we also noted that the RSI has broken the 60 level and is now above 70, supporting a trending environment. This would suggest that throwbacks should be considered as countertrend, providing we remain above the USD 27,018 level. Below USD 27,018, the probability of price trading to a new high will begin to decrease.

Cape Calendar 3-year Seasonality Avg/Max/Min



Capesize C5 Aug 26 (Heikin Ashi Chart)



Support	Resistance	Current Price	Bull	Bear
S1	11.64	R1	12.85	
S2	10.76	R2	13.50	RSI above 50
S3	10.01	R3	14.89	

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 (52)
- Stochastic is below 50
- Technical outlook Previously: Weakening price and momentum
- We noted previously that the roll into July meant that price and the RSI had made new lows, signaling bearish momentum confirmation; however, the RSI low was distorted by the gap lower, leaving the technical vulnerable to false reading. Price was the lead indicator, the gap down meant that we were below the 21-period EMA for the first time since January, indicating that the 55-period EMA at USD 13.07 was becoming vulnerable. With the gap down distorting momentum the focus was on the medium term EMA; corrections that held the average, and closed back above the 21-period EMA at USD 14.02 would signal trend continuation. Conversely, market bulls should be cautious on a close and hold below 13.07, as it would warn we are looking at a more sustained corrective phase.
- The futures closed below the USD 13.07 level resulting in price selling to a low of USD 10.80. We have since rolled into the August contract with price now seeing bid support. We are above the 8-21 period EMA's with the RSI above 50.
- Upside moves that fail at or below USD 13.50 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Upside moves considered as countertrend
- The downside move below the USD 11.64 fractal support means price has entered bearish territory. The ADX is at 25, meaning we remain in a trending environment; however, the ADX is moving lower, warning the upside move is potentially countertrend. On the buy side, the RSI is above 50, indicating we have positive velocity and acceleration. For the USD 13.50 resistance to come under pressure, we will need to see a close and hold above the 55-period EMA at USD 12.30; a rejection of the average will signal further weakness in the technical.

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