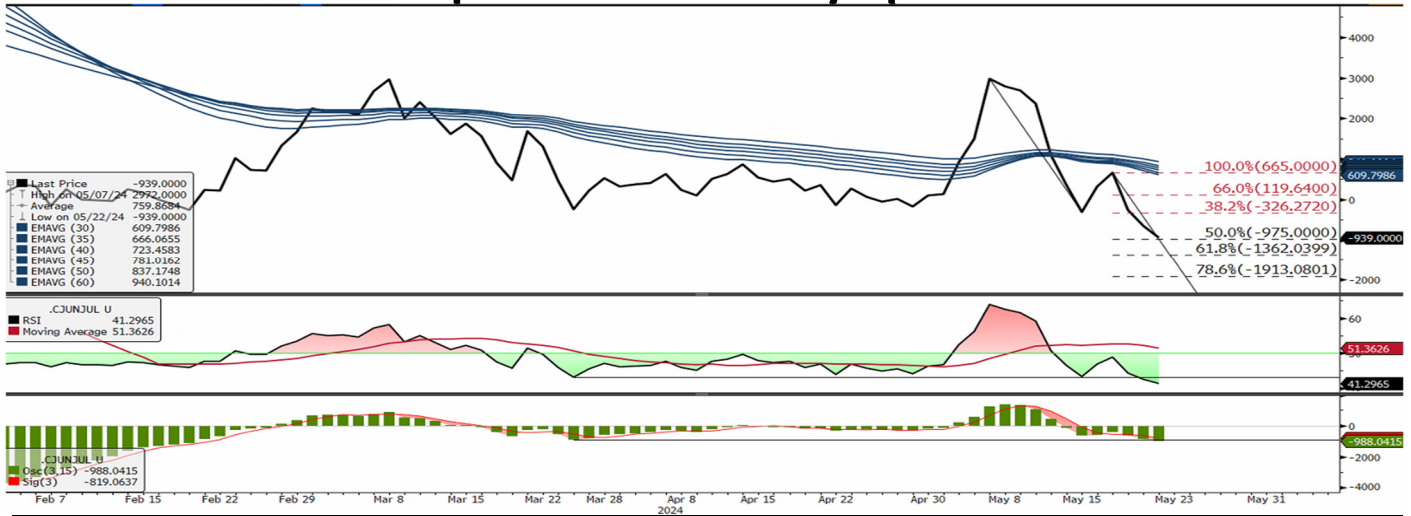




# Freight Spread Report

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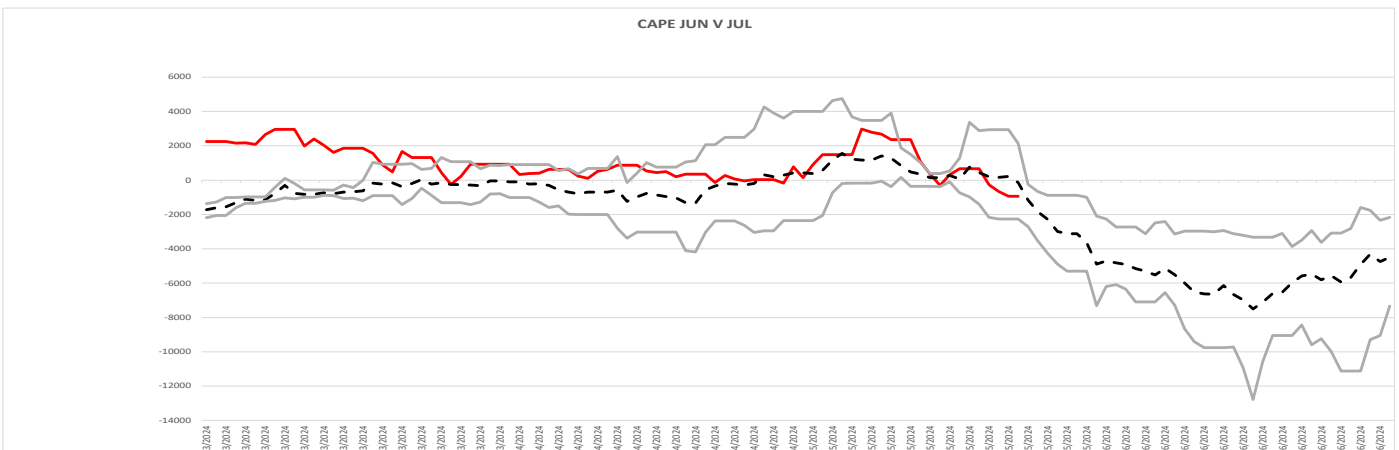
## Capesize June v July Spread



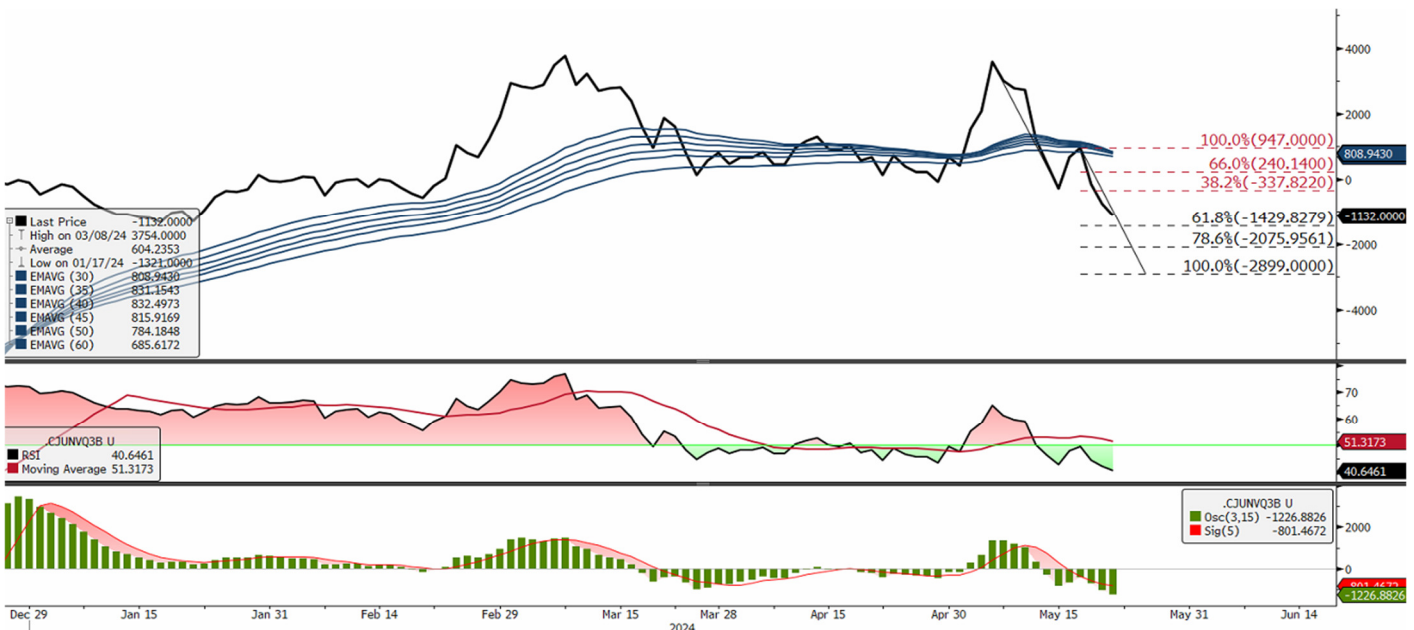
Support	Resistance	Current Price	Bull	Bear
S1	R1	-939		RSI below 50
S2	R2			
S3	R3			

### Synopsis

- Price is below the EMA support band
- RSI is below 50 (40)
- MACD is below 50
- Price is below the weekly pivot point (USD 478)
- Technically bullish but with a neutral bias last week, the depth of the pullback warned that the probability of the futures trading to a new high has started to decrease. The MACD warned of momentum weakness on Friday, the close on Monday below the weekly pivot level implied that sell side pressure was increasing. If the June outright trades below the USD 25,746 support, it will further weaken the technical. Support levels are now vulnerable, whilst seasonality charts warn that we have the potential to see another move lower.
- The June outright broke the USD 25,746 support resulting in the spread selling to a low of USD -939. We remain below the EMA resistance band with the RSI below 50.
- Upside moves that fail at or below USD 119 will leave the spread vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish the MA on the RSI is implying that momentum is weakening. The RSI is making new lows, but the MACD is on support, we are also seeing light bid support on the June futures, warning the spread is vulnerable to a move higher in the near-term. However, the RSI low and the seasonality chart are warning that there could be further downside, providing we remain below USD 119 and the outright remains below USD 27,374. If either of these resistance levels are broken, then the probability of the spread trading to a new low will start to decrease.



# Capesize June v Q3 Spread

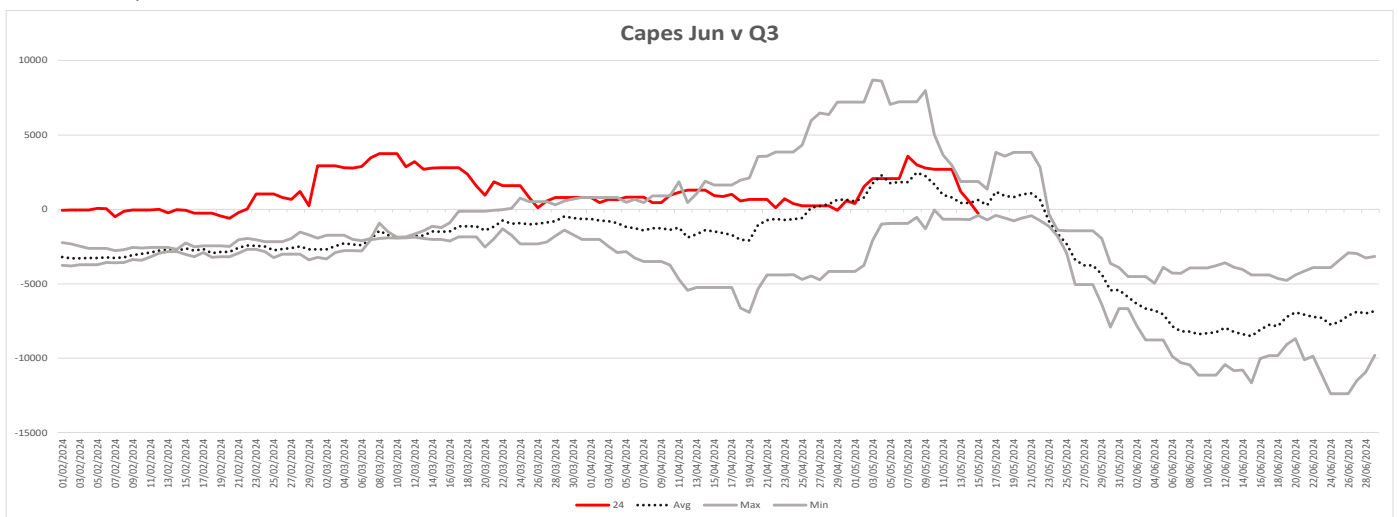


	Support	Resistance	Current Price	Bull	Bear
S1	-1,429	R1	-337		
S2	-2,075	R2	240		RSI below 50
S3	-2,889	R3	622		
			-1,132		

## Synopsis

Source Bloomberg

- Price is below the EMA support band
- RSI is below 50 (40)
- MACD is below 50
- Price is below the weekly pivot point (USD 622)
- Technically bullish but with a neutral bias last week, the depth of the pullback warned that the probability of the spread trading to a new high had started to decrease. The MA on the RSI was flat, implying momentum was neutral; however, the RSI was below its average and the 50 level, indicating momentum weakness. This was supported by the MACD which was below its signal line and zero, price was also below the weekly pivot level. The depth of the pullback warned that upside moves had the potential to be countertrend, meaning support levels were vulnerable. Like the June v July spread, we needed to see the June outright trade below its USD 25,746 support. Seasonality values did level out over the next few days before seeing another move lower, again, implying caution on upside moves.
- We traded to a low of USD - 308 before moving higher; however, as noted last week, the move was countertrend, resulting in price closing at USD -1,132 on the 22/05. We are below the EMA support band with the RSI above 50.
- Upside moves that fail at or below USD 240 will leave the spread vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The MA on the RSI is implying that momentum is weakening, whilst both the RSI and MACD are making new lows. This would suggest that resistance levels could hold if tested. The June is higher today whilst the spread was testing seasonality lows on yesterdays close, intraday spread values are around USD -475. If we do trade above USD 240, then the probability of the futures trading to a new low will start to decrease; however, a rejection will warn of downside continuation. With both outright contracts supported today, and the June being the more sensitive, a rejection below USD 27,347 will be needed for market sellers, to come back in on this spread.



# Capesize Q3 v Q4

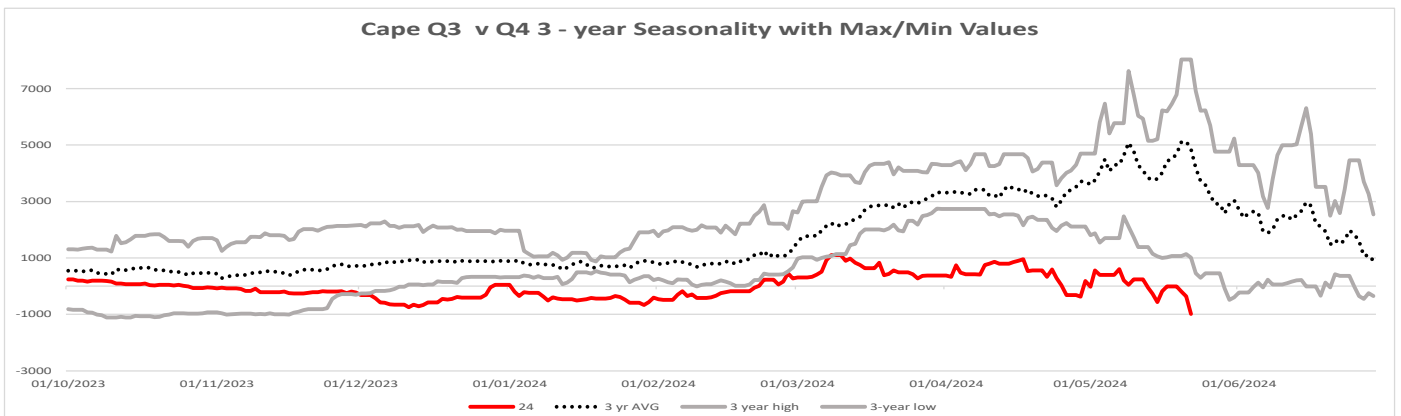


	Support	Resistance	Current Price	Bull	Bear
S1	-1,169	R1	-613		
S2	-1,482	R2	-340		RSI below 50
S3	-1,750	R3	-192		

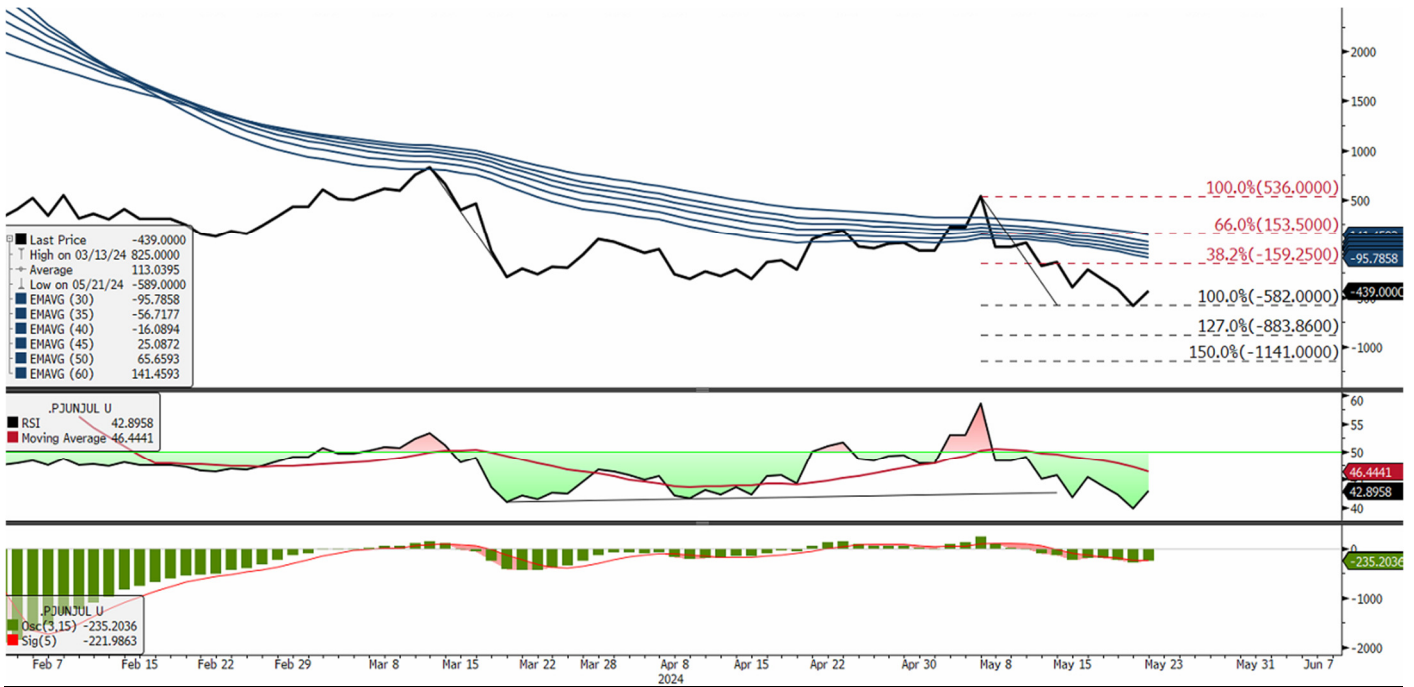
## Synopsis

Source Bloomberg

- Price is Below the EMA resistance band
- RSI is below 50 (37)
- MACD is below 50
- Price is below the weekly pivot level (USD -192)
- Technically bearish last week, the MACD warned of momentum weakness, meaning the USD -376 fractal low was vulnerable. We noted that a new low would create a positive divergence with the RSI and the MACD, not a buy signal, it warned that we could see a momentum slowdown which needed to be monitored. The Q3 futures were trading just below the 55-period EMA (USD 26,489—Futures USD 26,350), if we closed below and held below the average, we could see further downside in the spread. However, a close back above the 55-period average in the futures with some form of bullish rejection candle, whilst the spread was in divergence would warn that could see market buyers looking to extract some value, as seasonality levels were starting to look a little undervalued.
- The spread traded to low of USD -562, before finding bid support on the back of a bullish engulfing candle that closed above the 55-period EMA in the Q3 futures. However, the upside move failed to hold with the Q3 back below the 55-period EMA, but holding above the USD 25,375 support. The spread has traded to a low of USD -989 with price below the EMA resistance band supported by the RSI below 50.
- Upside moves that fail at or below USD -340 will leave the spread vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The technical is bearish with price below the weekly pivot level (USD-192), the MA on the RSI is acting as a resistance but remains fairly flat. We are in divergence on both the RSI and the MACD, not a buy signal it is a warning that we could see a momentum slowdown. We are cautious on this technical, the Q3 is below its average but finding support at the base of the bullish engulfing pattern from the 15/05. If we hold above USD 25,753 then the divergence on the spread will come into play, warning the USD -340 resistance could come under pressure. If broken, then the probability of the spread will start to decrease. However, if the futures break the support, the divergence will probably fail. We have a neutral bias today, as the technical is in balance.



# Panamax June v July

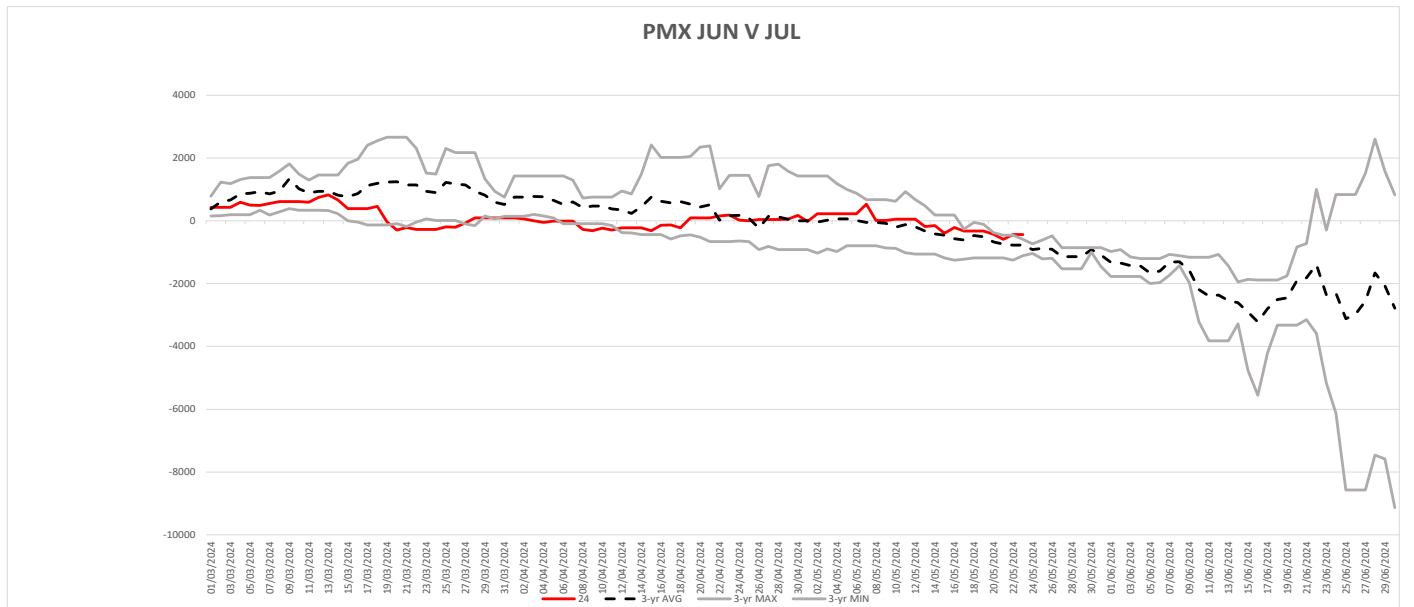


Support	Resistance	Current Price	Bull	Bear
S1	R1	-439		RSI below 50
S2	R2			
S3	R3			

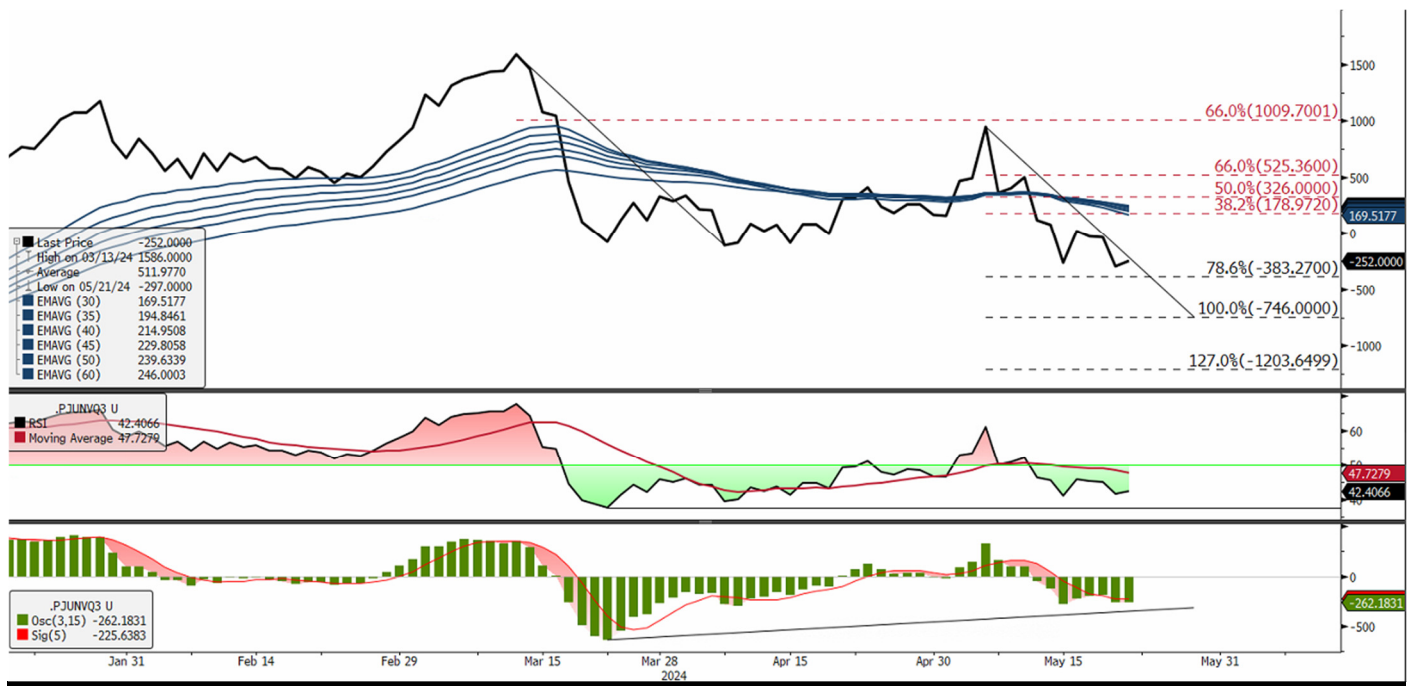
## Synopsis

Source Bloomberg

- Price is below the EMA resistance band
- RSI is below 50 (42)
- MACD is below 0
- Price is below the weekly pivot level (USD -197)
- Technically bearish last week, downside moves that closed below the USD -314 level would put the spread in divergence with the RSI, not a buy signal, it warned that we could see a momentum slowdown. The June futures were currently trading at USD 15,800, as highlighted in the weekly technical, we had a support band starting at USD 15,400. For this reason, we had a note of caution on downside breakouts.
- The spread traded to a low of USD -589 before finding light bid support, we are below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD -197 will leave the spread vulnerable to further tests to the downside, above this level, the technical will have a neutral bias.
- Technical bearish, the MA on the RSI is warning that momentum is weak, the divergence has failed. The June futures are trading at USD 15,950; our Elliott wave analysis is suggesting that we could test and break the USD 15,375 fractal low. With the spread divergence failing, this would suggest there is room for further downside in the near-term; however, due to the outright futures having a support zone starting at USD 15,400 we have concerns that downside moves could struggle to hold.



# Panamax June v Q3

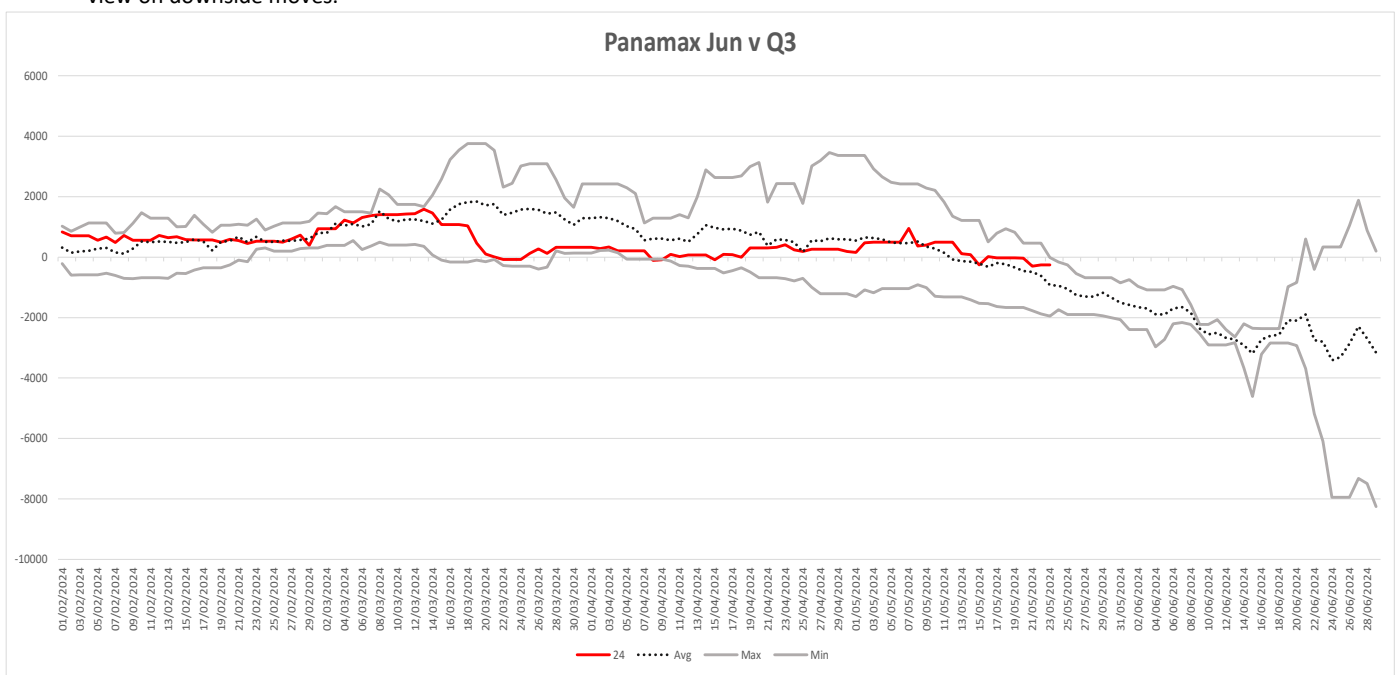


Support	Resistance	Current Price	Bull	Bear
S1	R1	-252		RSI below 50
S2	R2			
S3	R3			

## Synopsis

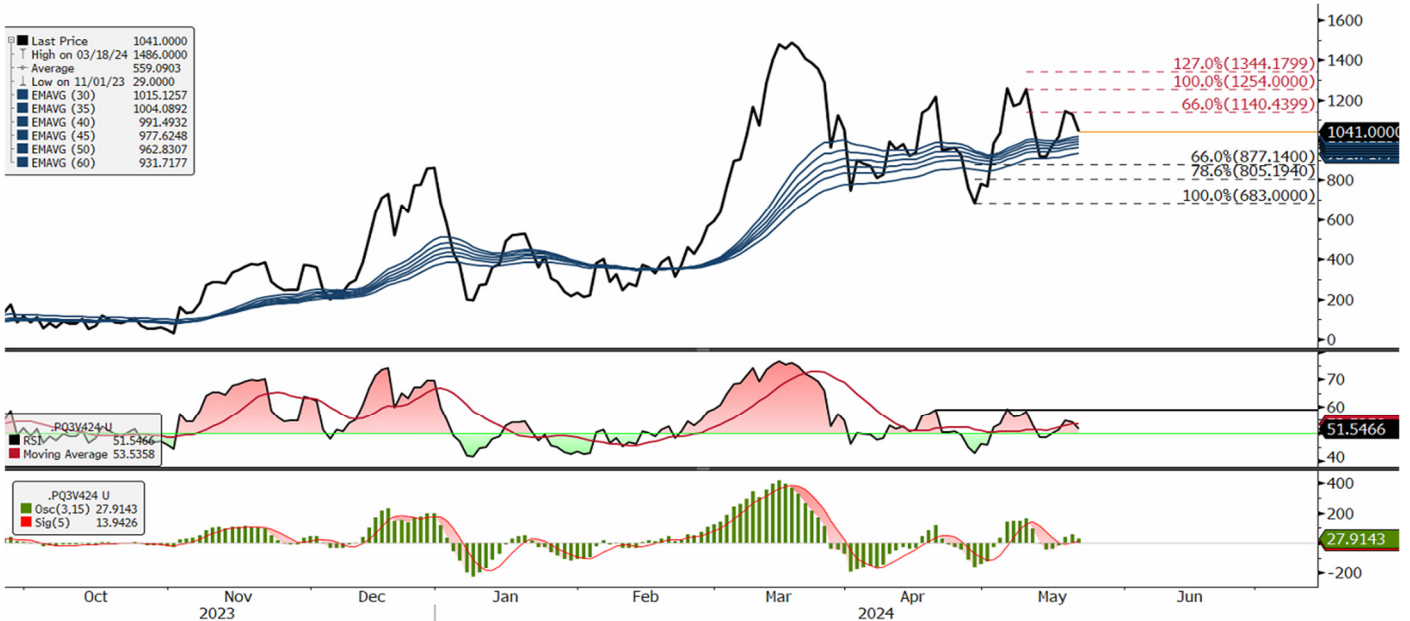
Source Bloomberg

- Price is below the EMA resistance band
- RSI is below 50 (42)
- MACD is below 0
- Price is below the weekly pivot level (USD -57)
- Technically bearish last week, we were in the same situation as the June v July spread, below USD 109 we would be in divergence with the RSI. Not a buy signal, it was a warning that we could see a momentum slowdown, implying caution on downside breakouts. We also had the Jun futures trading USD 400 above the daily support zone.
- The spread traded to a low of USD 297 before finding light bid support. We remain below the EMA resistance band with the RSI below 50.
- Upside moves that fail at or below USD 525 will leave the spread vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, we remain in divergence with both the RSI and our MACD. A close above the weekly pivot level (USD -57) will imply that buy-side pressure is increasing, warning resistance levels could come under pressure. Based on the June futures, we still have the potential for further downside in the near-term. However, due to the spread being in divergence, we maintain a cautious view on downside moves.



# Panamax Q3 v Q4

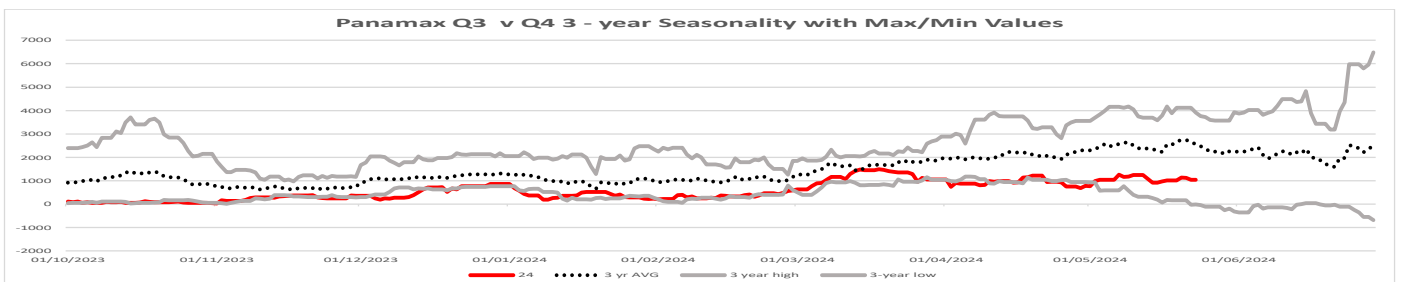
Last Price	1041.0000
High on 03/18/24	1486.0000
Average	559.0903
Low on 11/01/23	29.0000
EMA(30)	1015.1257
EMA(35)	1004.0892
EMA(40)	991.4932
EMA(45)	977.6248
EMA(50)	962.8307
EMA(60)	931.7177



Support	Resistance	Current Price	Bull	Bear
S1	R1	1041	RSI above 50	
S2	R2			
S3	R3			

## Synopsis

- Price is above the EMA resistance band
- RSI is above 50 (51)
- MACD is above 0
- Price is above the weekly pivot level (USD 1,007)
- Technically bullish last week, the MA on the RSI was flat, implying momentum was neutral, whilst price was trading in the EMA support band. A move below USD 877 would warn that the probability of the futures trading to a new high had started to decrease. The Q3 24 futures were now trading on the 60-period EMA whilst the spread is just above key support. If we saw a bullish rejection candle in the q3 off the average in the coming days, and the spread held above key support, then this technical will be vulnerable to a move higher.
- The spread held above the USD 877 support with the Q3 outright producing a bullish engulfing candle off the 60-period EMA, resulting in the spread trading to a high of USD 1,142.
- Downside moves that hold at or above USD 877 will support a bull argument, below this level the technical will have a neutral bias.
- Technically we are bullish, the MA on the RSI is warning of light momentum support, but the RSI is now below its average. We are above the weekly pivot level, warning momentum based on price is supported, below this level it will indicate that sell side pressure is increasing. We have light support in the spread based on momentum and having held the EMA support band. However, with the Q3 futures consolidating for the last 55 trading days and likely to be divergent above USD 17,125, upside moves have the potential to be limited.



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