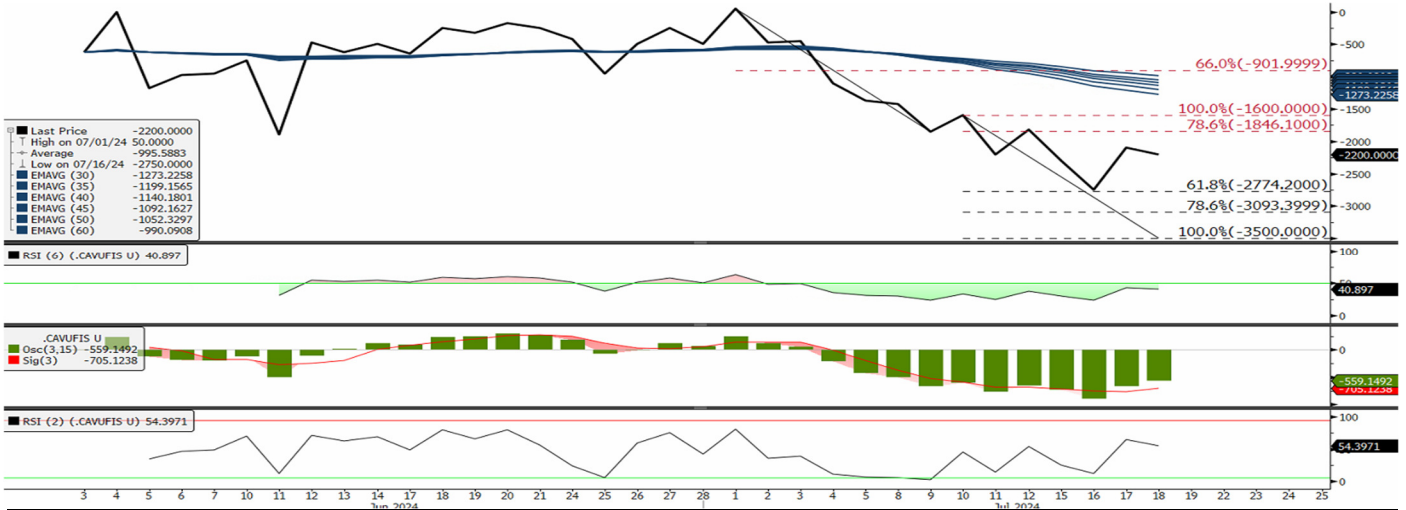




# Capesize Spread Report

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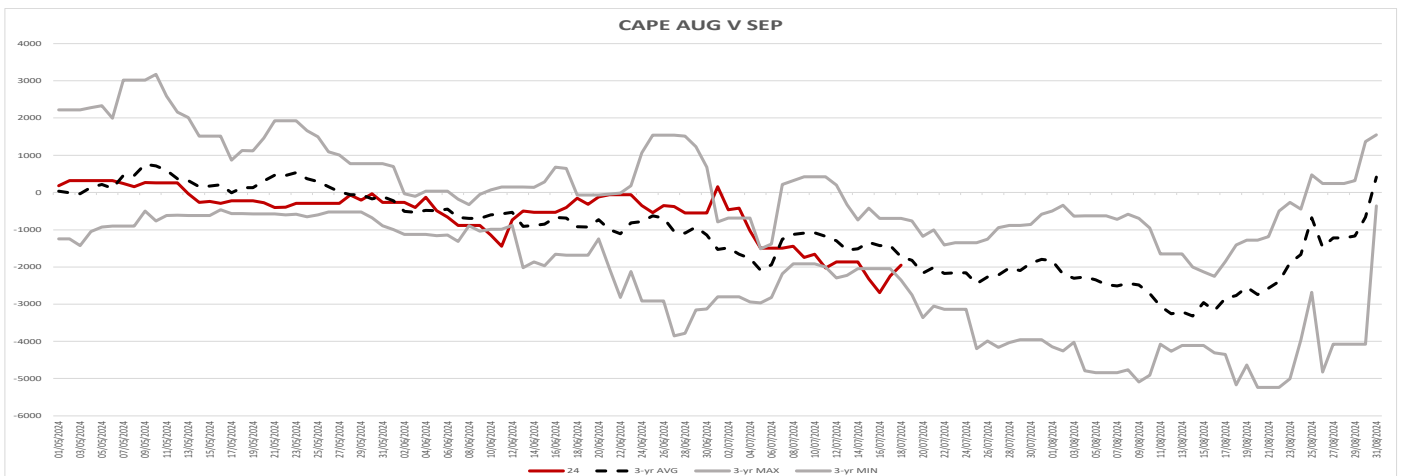
## Capesize Aug v Sep Spread



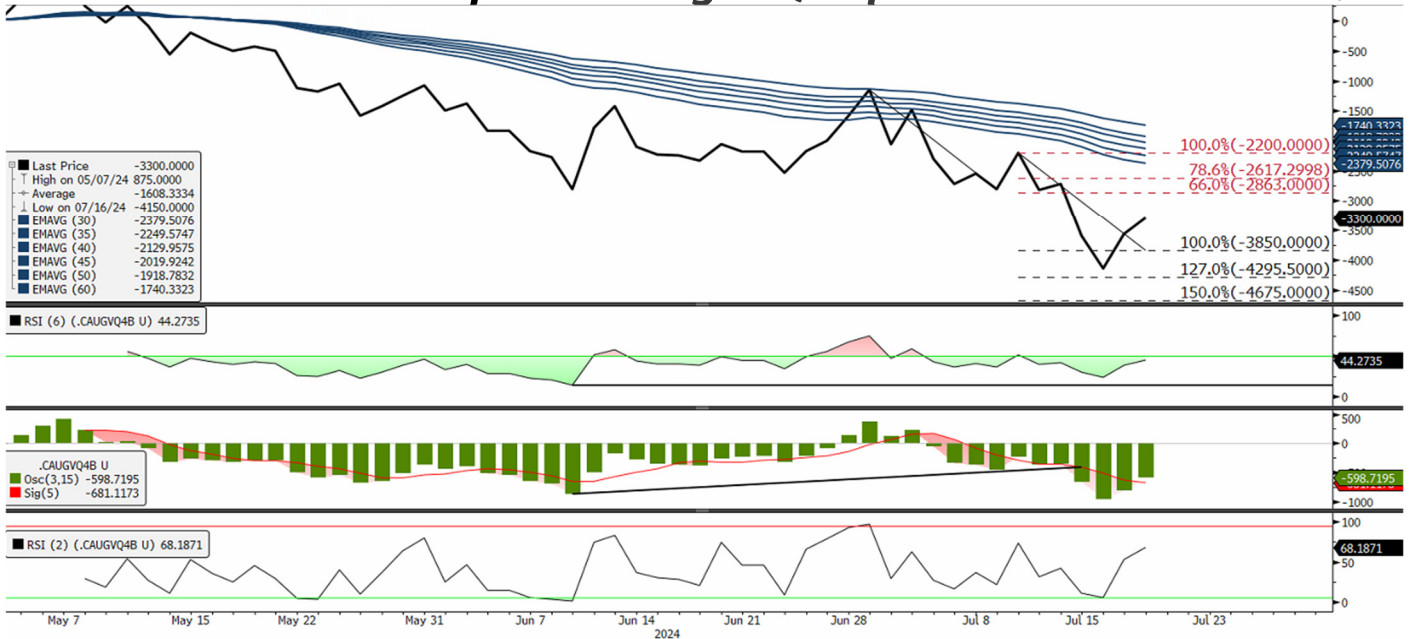
Support	Resistance	Current Price	Bull	Bear
S1	R1	- 2,200		RSI below 50
S2	R2			
S3	R3			

### Synopsis

- Price is below the EMA resistance band
- RSI is below 50 (40)
- MACD is below 0
- Price is below the weekly pivot point (USD—1,825)
- Technically bearish last week, the RSI and MACD both had minor divergences in play, we also had an intraday divergence on the 4-hour chart (and lower timeframes). Not a buy signal, they warned that we could see a momentum slowdown, which needed to be monitored. A close on the daily chart above USD - 1,600 would imply that buy-side strength was increasing, warning that the USD - 661 resistance could come under pressure, if broken then the probability of the spread trading to a new low would start to decrease. Likewise, a rejection of key resistance would suggest that there is a larger bearish wave cycle in play. The divergence suggested caution on downside moves, whilst 3-year average values for this time of year are at USD -1,174, meaning we could be vulnerable to a mean reversion back to the average.
- The spread sold to a low of USD -2,750; however, the move failed to hold due to the intraday divergence, resulting in the spread trading just below last week's values. We are below the EMA resistance band with the RSI below 50.
- Technically bearish, the intraday upside move above USD -1,991 means that the technical has a neutral bias. The probability of the spread trading to a new low has started to decrease. The upside move on the back of the divergence, alongside the deep pullback would suggest that resistance levels are vulnerable, above USD -1,600 the technical is bullish. Based on trading levels in May and June USD - 500 should in theory show some decent resistance.



# Capesize Aug v Q4 Spread

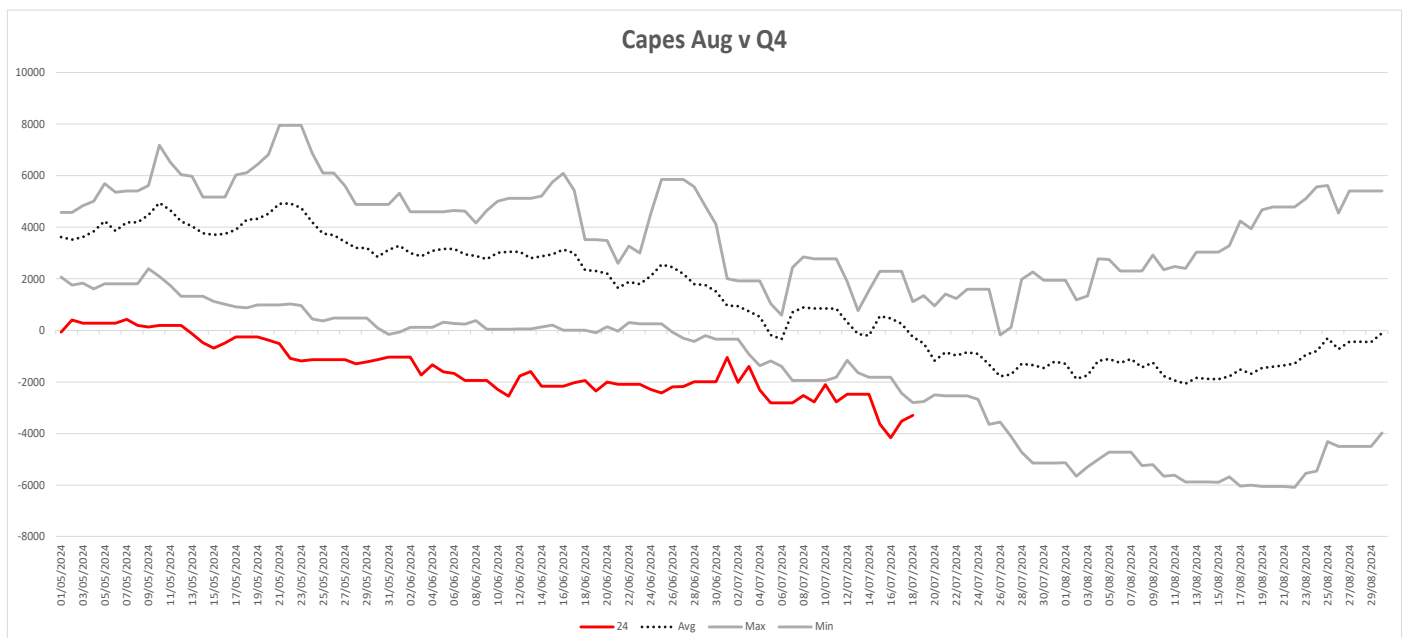


	Support	Resistance	Current Price	Bull	Bear
S1	- 3,850	R1	- 2,863		RSI below 50
S2	- 4,295	R2	-2,617		
S3	- 4,675	R3	- 2,200		
			-3,300		

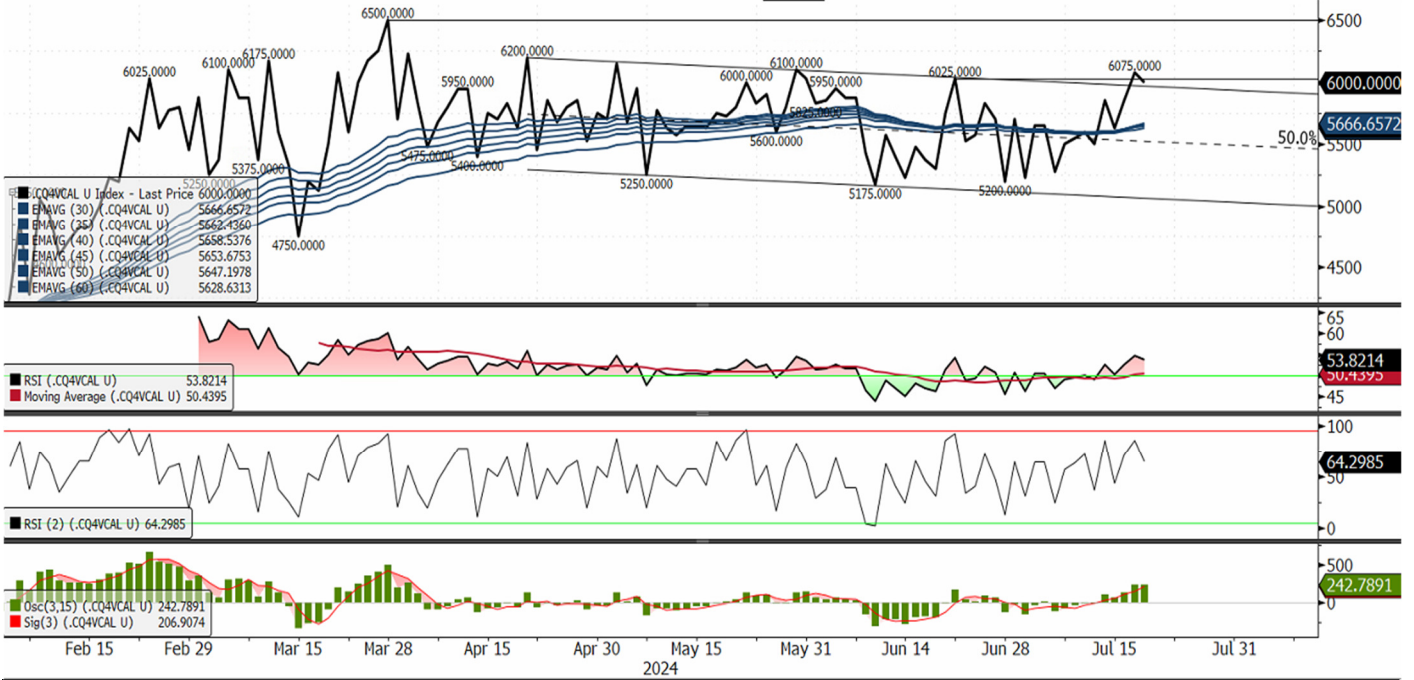
## Synopsis

Source Bloomberg

- Price is below the EMA resistance band
- RSI is below 50 (44)
- MACD is below 0
- Price is below the weekly pivot point (USD -2,725)
- Technically bearish last week, the intraday technical had traded below the USD -2,800 fractal low, meaning we had a positive divergence on both the daily and intraday lows. Although not buy signals, they warned that we could see a momentum slowdown, suggesting caution on downside moves. If we started to close above the weekly pivot level (USD -2,725) it would imply that buyside pressure is increasing, meaning Fibonacci resistance levels could come under pressure. Due to the divergence in play, the spread was not considered a technical sell at these levels.
- The spread traded to a low of USD -4,150; however, due to the intraday divergence we have seen price trade back up to USD -3,000. We are currently trading at USD -3,300 meaning price is below the EMA resistance band with the RSI below 50.
- Upside moves that fail at or below USD -2,863 will leave the spread vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the downside move is struggling to hold due to the divergence in play, warning that the USD -2,863 resistance is vulnerable. If broken, then the probability of the futures trading to a new low will start to decrease. Due to price moving higher on the divergence, we are cautious on downside moves, as resistance levels are starting to look vulnerable.



# Capesize Q4 v Cal



	Support	Resistance	Current Price	Bull	Bear
S1	5,850	R1	6,200	MACD above 0	
S2	5,500	R2	6,300		
S3	5,275	R3	6,500		

## Synopsis

Source Bloomberg

- Price is below the EMA resistance band
- RSI is below 50 (48)
- MACD is above 0
- Price is above the weekly pivot level (USD 5,275)
- Technically neutral last week, near-term price action was bullish, warning range resistance could be tested. However, with price in the middle of the range at USD 5,562 the futures were not considered a buy or sell at these levels.
- The futures are now testing the upper range resistance. Price is above the EMA support band with the RSI above 50.
- Upside moves that close above and hold above USD 6,200 will indicate that we are seeing a range break to the upside, warning that the USD 6,500 fractal high could be tested and broken. Likewise, a bearish close below range support (USD 4,925) will signal downside continuation. (unchanged)
- Technically bullish, the MA on the RSI is warning that momentum is supported. However, the futures are now testing the upper range resistance whilst the 1-hour RSI is in divergence, suggesting caution on upside moves in the near-term, as the spread is vulnerable to a technical pullback. If we do close above and hold above the USD 6,200 level we could see the USD 6,500 resistance come under pressure.

