

FIS Supramax Technical

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Synopsis

Index

The Index remains technically corrective having made a lower low in the market; however, momentum indicators are now oversold suggesting downside moves could slowdown soon. Globally financial, base metals and ferrous markets have caught a bid on the back of a Covid-19 vaccine been 90% effective. This asks the question will we see a change in sentiment in the shipping sector? If so it has the potential to change the Elliott wave footprint of the futures market going forward.

Dec 20

The daily candles are making higher highs and higher lows indicating near-term price is currently bullish. Momentum is in bearish territory but intraday wave analysis would suggest the current upside move could potentially be countertrend. Upside moves that fail at or below the USD 10,040 level remain vulnerable to further tests to the downside; likewise, a close below USD 9,358 would warn that the daily technical is weakening based on price.

Q1 21

The Q1 21 futures are now at a key resistance level in the technical. If price trades above the USD 7,895 resistance then the technical phase goes from bearish, to bearish neutral. The RSI is neutral with the stochastic below 50 indicating momentum is in negative territory but heading higher, downside moves that close below the USD 7,841 support would warn the technical is weakening based on price. Intraday momentum is also bullish with the RSI at 57; if the RSI goes to 48 or lower, intraday momentum will be seen as weakening, leaving the technical vulnerable to further tests to the downside.

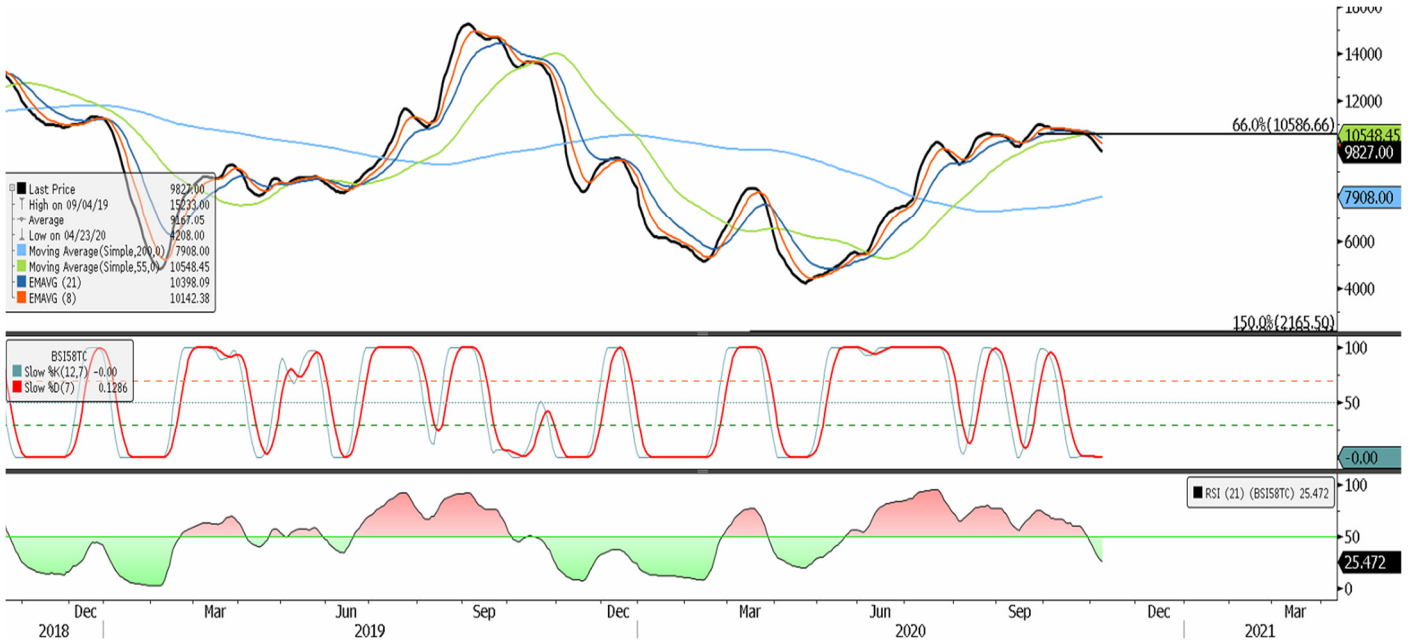
Cal 21

USD 47 is the difference to the bear trend becoming neutral, and the technical producing a bearish close based on price. Ultimately it will be a question of whether a potential Covid—19 vaccine can change the sentiment in freight as it has done in other markets. Price is at key resistance on the back and futures suggesting that even if the prompt remains under pressure the, backs have an element of optimism in them.

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Supramax Index



	Support	Resistance	Current Price	Bull	Bear
S1	9,289	R1	9,827	RSI Above 50	
S2	9,572	R2			
S3	8,304	R3			

Synopsis - Intraday

- Price is below the 8 - 21-period EMA's
- RSI is below 50
- Stochastic is oversold
- On the last report we highlighted the negative divergence warning that price could see a momentum slowdown and this has been the case.
- The index has now made a lower low indicating it is in a bearish phase
- Both the RSI and the stochastic are in oversold territory
- Upside moves above the USD 10,234 level would warn that buy-side momentum is increasing based on price
- Upside moves that fail at or below the USD 10,586 level remain vulnerable to further tests to the downside. Above this level the pullback is considered as deep and the technical phase is considered neutral
- Technically corrective with the futures making lower lows and lower highs with both the RSI and the stochastic in oversold territory, warning of the potential for a momentum slowdown soon. Note; the momentum slope is currently bearish warning that resistance levels could hold in the near-term

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Supramax Dec 20 (Rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	9,050	R1	9,425	Stochastic oversold	RSI below 50
S2	8,435	R2	9,623		
S3	7,839	R3	9,800		

Synopsis - Intraday

- Price is below the 8 - 21-period EMA's
- RSI is below 50
- Stochastic is oversold
- Technically the trend is bearish with price making lower highs and lower lows
- The RSI is below 50 with price below the 8—21 period EMA's, however the stochastic is in oversold territory
- Upside moves that fail at or below the USD 10,040 Fibonacci resistance remains vulnerable to further tests to the downside. Above this level the pullback is considered as deep taking the technical into a neutral phase
- Downside moves that close below USD 9,358 would warn that the technical is potentially weakening in price and warn we could be about to test the USD9,050 fractal support or lower
- Intraday wave analysis would suggest that the upside move should be considered as countertrend at this point
- It is worth noting price is now at the base of a resistance gap and a previous double bottom from June and July making this a strong resistance area

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Supramax Q1 21



Support	Resistance	Current Price	Bull	Bear
S1	R1	7,875		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is above the 8 - 21-period EMA's
- RSI is below 50 (49)
- Stochastic is below 50
- Price as above the 8—21 period EMA's with the daily candle making higher highs and higher low indicate daily momentum is currently bullish based on price.
- The futures are now testing the USD 7,895 technical resistance, price above this level would be considered as deep and the technical phase neutral. Price action that fails to trade above this level remains vulnerable to further tests to the downside
- Downside moves that close below the USD 7,841 level would warn the technical is weakening based on price
- The RSI is neutral at 49 with the stochastic at 50
- The technical is now in balance and at key resistance. If resistance fails the technical would be considered as neutral bearish; neutral due to the depth of the pullback, but bearish as fractal resistance is at USD 8,125
- Technically this move is still considered as countertrend, however if we trade above the USD 7,895 level then the downside bearish cycle would be brought into question

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Supramax Cal 21



Support		Resistance		Current Price	Bull	Bear
S1	8,795	R1	9,055	9,025		RSI below 50
S2	8,725	R2	9,113			
S3	8,654	R3	9,212			

Synopsis - Intraday

- Price is above the 8 - 21-period EMA's
- RSI is below 50
- Stochastic is below 50
- The futures have broken out of the technical range to the downside.
- The RSI is neutral with the stochastic below 50. both momentum indicators are heading higher
- Price is now at key Fibonacci resistance at SUD 9,055, if reassurance holds then the technical remains in bearish territory but if broken the technical is considered as bearish neutral
- Downside moves that close below the USD 9,008 level would warn of technical weakness based on price
- The margins are tight on this Cal 21 technical, with just 47 USD between the technical becoming neutral to the upside or bearish to the downside.