

FIS Supramax Technical

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Synopsis

Index

The index held in bull territory last week on the back of the hidden divergence that we highlighted. The index has made a new high with a potential upside target/resistance zone around the USD 12,873—USD 13,121 level. Downside moves that close below the USD 11,862 level would warn we could be entering into a corrective phase. Upside moves that fail in the resistance zone would be vulnerable to further tests to the downside based on a potential bearish Gartley pattern.

Feb 21

Last week we highlighted that if the index held in bull territory, the downside moves in the Feb contract would be limited with the potential to produce an upside push, which has been the case. Technically bullish with near-term resistance starting at USD 11,301 with a potential upside target at USD 11,831. Downside moves that close on the daily candle below the USD 10,702 level would warn the futures could be entering into a corrective phase, however price action that holds above the USD 9,499 level would support a buyers argument.

Q2 21

The Q2 futures remain in an extended Elliott third wave, meaning downside moves should still be considered as countertrend. Fibonacci projection levels based on Elliott wave analysis would suggest near-term resistance starts at USD 11,179 with a potential upside target at USD 11,645. A close on the daily chart below the USD 10,666 level would warn we could be entering into a corrective phase. However, downside moves that hold above the USD 9,927 level would support a buyers argument.

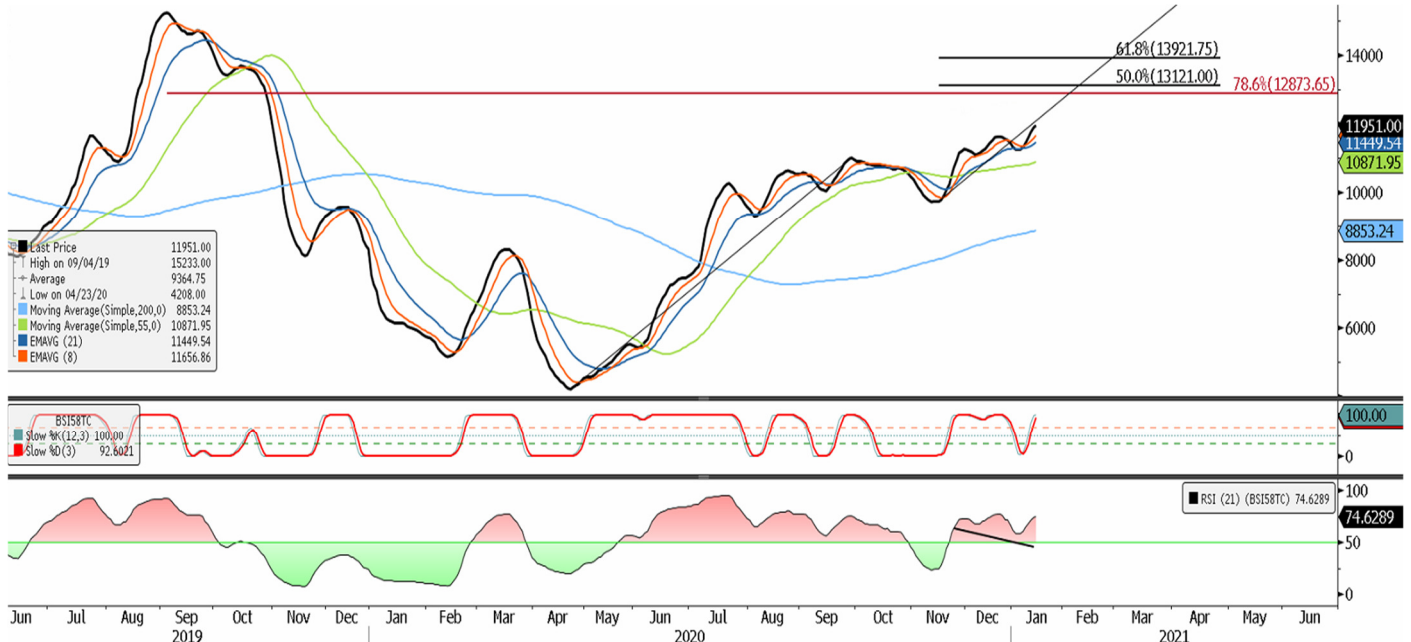
Cal 22

Like the Q1 and the Q2 futures the Cal 22 futures are on an extended Elliot third wave. This would suggest that downside moves should be considered as countertrend at this point. Corrective moves lower that hold at or above the USD 9,560 level would support a buyers argument, below this level the pull back is considered as deep and the technical phase neutral.

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Supramax Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	11,951	RSI Above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is on the 8-21 period EMA's
- RSI is above 50
- Stochastic is overbought
- On the last report—**The RSI has made a lower low but price had not. This is known as a bullish hidden divergence and warns we could see another test to the upside in the near-term**—This has been the case with the index moving up to new highs
- Price is technically bullish with the RSI in a long-term negative divergence (since August)
- Near-term upside resistance/target zone is between USD 12,873—USD 13,121 based off Fibonacci resistance and projection levels
- A close below the USD 11,862 level would warn the index could be entering into a corrective phase
- Technically bullish with price and momentum still in divergence. Downside moves that trade below the USD 11,242 level would create a lower low in the market and be considered as bearish

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Supramax Feb 21



Support	Resistance	Current Price	Bull	Bear
S1	R1	11,075	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

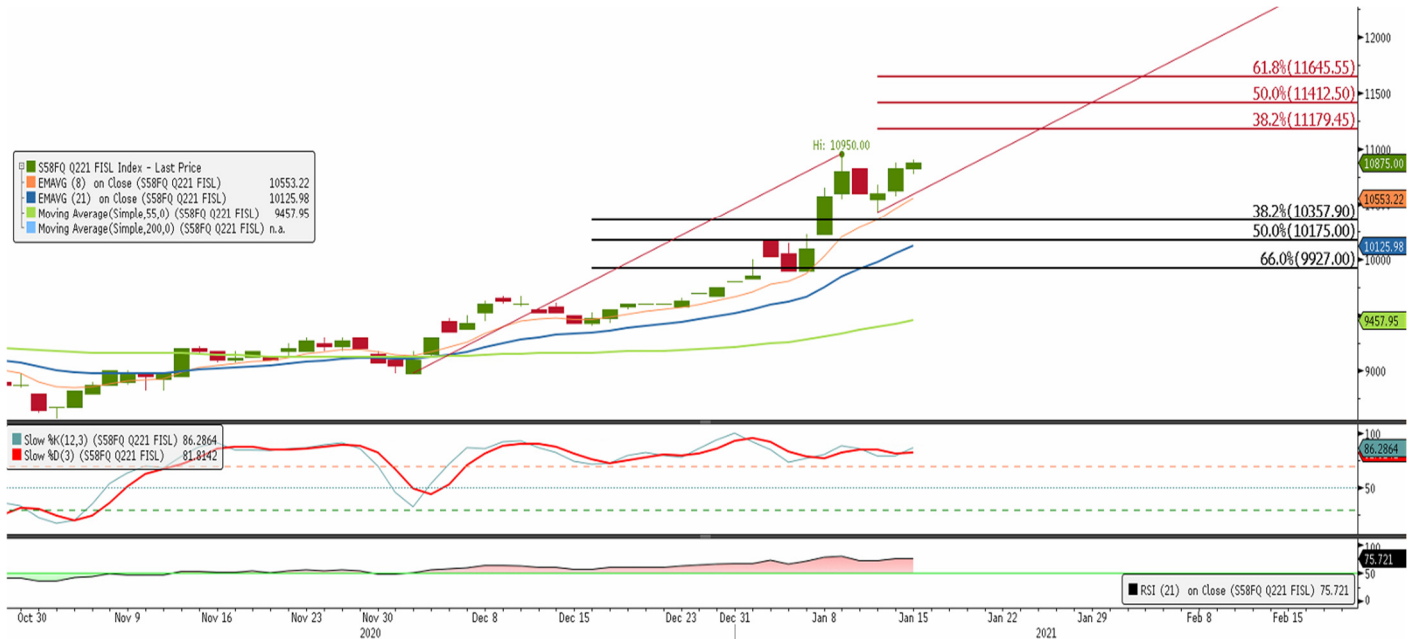
Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is above 50
- Stochastic is overbought
- Last week—**If the index holds above the USD 11,119 level the futures are not considered a technical sell and should in theory move higher**—The index held and the futures rallied nearly USD 2,000
- Elliott wave analysis would suggest that the futures are on a bullish impulse wave 3. Upside resistance starts at USD 11,301 with the a potential target around the USD 11,873, a 61.8% Fibonacci projection level
- Downside moves that close below the USD 10,702 level would warn the daily technical picture is weakening and suggest the futures could be about to enter into a corrective phase
- The Stochastic is overbought, however the RSI at 59 is sitting in bullish territory, meaning we could see the faster moving stochastic at higher levels for a while
- Downside moves that hold at or above the USD 9,499 level would support at bullish argument, below this level the pullback would be considered as deep and the technical phase neutral

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Supramax Q2 21



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,875	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21-period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- On the last report we highlighted the wave analysis as been on an extended wave 3 with downside moves likely to find buying support. This has been the case with the futures trading through our upside resistance levels.
- The Q2 futures remain technically bullish on an extended wave 3, indicating downside moves should be considered as countertrend
- A close on the daily chart below the USD 10,666 level would warn the futures could be entering into a corrective phase. However, downside moves that hold above the USD 9,927 level would support a buyers argument. Below this level the pullback would be considered as deep and the technical phase neutral
- Near-term upside resistance is at USD 11,179 with a potential upside target at USD 11,645. this is based off Elliott wave analysis and Fibonacci projection levels

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Supramax Cal 22



	Support	Resistance	Current Price	Bull	Bear
S1	9,998	R1	10,579	RSI above 50	Stochastic overbought
S2	9,812	R2	10,720		
S3	9,560	R3	10,860		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is above 50
- Stochastic is overbought
- Like the Q1 contract last week the Cal 22 futures were and continue to remain in an extended wave 3. this would imply that downside moves should be considered as countertrend
- Downside moves that close on the daily candle below the USD 10,266 level would imply the futures are entering into a corrective phase. However, corrective moves lower that hold at or above the USD 9,560 level would support a buyers argument, below this level the pullback would be considered as deep and the technical phase as neutral.
- The futures are now at the base of the Fibonacci resistance zone with a potential upside target at USD 10,860