

FIS Supramax Technical

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Synopsis

Index

The trend is technically bearish, but the close above USD 24,651 is indicating that momentum is improving based on price. Upside moves that fail at or below USD 34,666 will leave the technical vulnerable to further downside moves; however, we have two hidden divergences in play that would suggest the market although bearish it is not a technical sell at these levels.

Dec 21

The trend is technically bearish, but the upside move is deep into the last bear wave which puts some neutrality on the trend. Above USD 27,250 the futures will have made a higher high and be considered as bullish, however price would not be in a trending environment as we remain below the longer period averages. The RSI has based on a long-term support whilst producing a positive divergence, indicating the futures will not be considered a technical sell below USD 20,750. Price is however 32.25% below the 55 period SMA meaning there is the potential for a mean reversion trade to the upside.

Q1 22

Having previously broken trend resistance the futures are potentially in a transitional phase. The upside move is now deep into the last bear wave meaning we have the technical as bearish/neutral, only above USD 23,850 is it considered as bullish. Downside moves that close below USD 21,202 would indicate that momentum is weakening based on price, leaving the futures to target the USD 17,250 fractal support. Potentially transitioning but needs to break the USD 23,850 high for upside continuation.

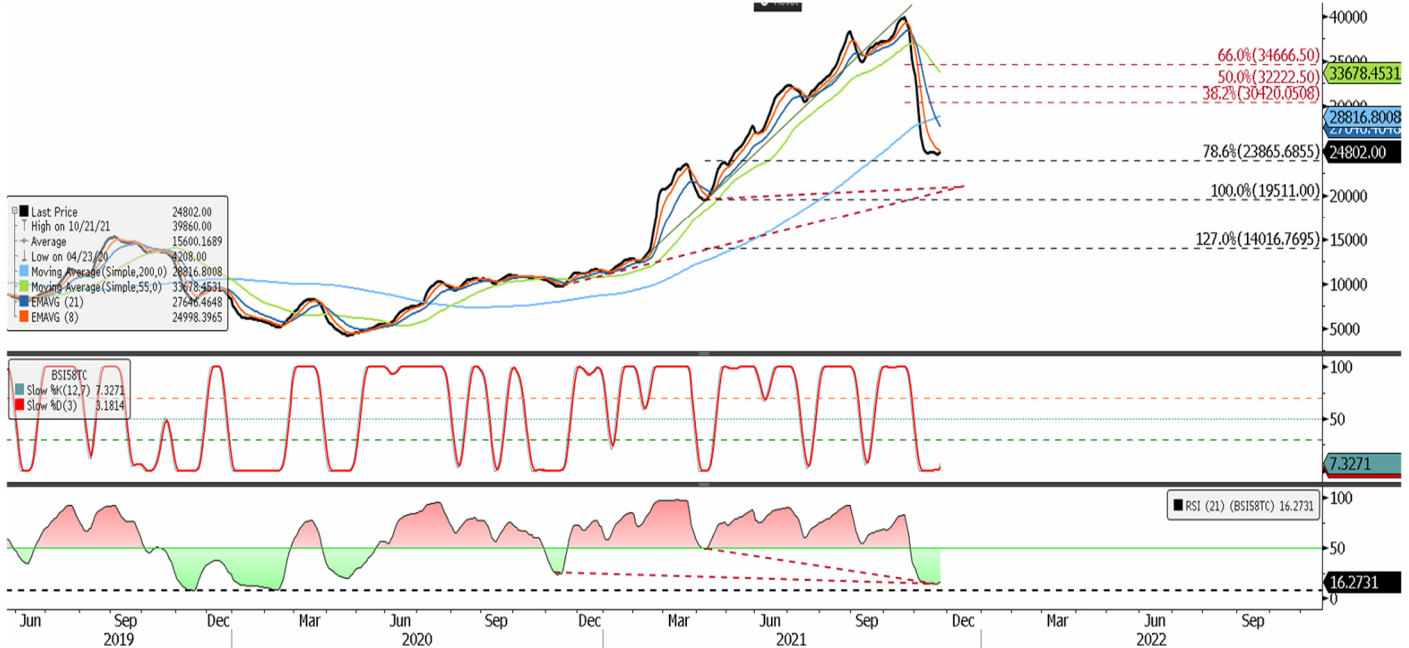
Cal 22

Price is back above trend support and the 200-period MA indicating there remains underlying strength in the market. The futures are now testing Fibonacci resistance with the RSI below 50 whilst the stochastic is overbought, momentum is warning the technical is vulnerable to a test to the downside. Upside moves above the USD 19,875 level have the potential to create a negative divergence with price on the intraday 4-hour technical. Not a sell signal it does warn that we could see a momentum slowdown. Technically bearish/neutral, price needs to trade above USD 20,750 to be considered as bullish; however, momentum indicators would suggest we could see a technical pullback of some form soon.

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Supramax Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	24,802	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8 - 21 period EMA's
- RSI is below 50 (16)
- Stochastic is oversold
- The index is currently bearish having made a lower low in the market, price is below all key moving averages with the RSI below 50
- The index has closed above USD 24,651, indicating momentum is considered as bullish based on price
- Upside moves that fail at or below USD 34,666 remain vulnerable to further tests to the downside
- The RSI is nearing support having made a lower low; however price is holding above key fractal levels meaning we have two hidden positive divergences in play. The divergence is not a buy signal, but it is a warning that we have the potential for a momentum slowdown. The divergences are suggesting price is supported compared to momentum
- Technically bearish but not considered as technical sell at these levels

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Supramax Dec 21



	Support	Resistance	Current Price	Bull	Bear
S1	21,426	R1	25,859		RSI below 50
S2	20,750	R2	27,250	25,625	
S3	20,413	R3	27,434		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is above 50
- The upside move in the futures is now deep into the last bear wave meaning the technical is considered as neutral bearish. Price is between the 8-21 period EMA's but below the longer-term moving averages
- Upside moves above the USD 27,250 will create a higher high in the market and be considered as bullish based on price
- Downside moves that close below USD 24,172 would imply that momentum is weakening based on price, at this point the futures will target the USD 21,426 support and potentially the USD 20,750 low
- The RSI has rallied on the back of a positive divergence with the RSI, the black line on the RSI also highlights a long-term support dating back to Nov 2019. Price is moving higher but not yet considered as bullish, this will only be confirmed above USD 27,250. Bullish does not mean in trend, it just highlights that the market condition is changing, at this point price remains below its longer-term averages. Downside moves that make a new low have the potential for further positive divergences in the market, if this is the case it will not be considered a technical sell on a new low

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Supramax Q1 22



	Support	Resistance	Current Price	Bull	Bear
S1	21,202	R1	23,850		RSI below 50
S2	17,250	R2	25,060		
S3	16,350	R3	25,749		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is below 50 (49)
- Stochastic is overbought
- The RSI is near neutral with price above the 8-21 period EMA's. The trend itself is considered as bearish: we have broken a resistance line meaning we are potentially transitioning to the buyside
- The RSI is below 50 (near neutral at 49) with the stochastic in overbought territory, momentum is warning that we have the potential for further tests to the downside. However, if the RSI goes above and holds above 50 then the overbought stochastic is considered as less relevant as it is faster moving
- Downside moves that close below USD 21,202 would imply momentum is weakening based on price, warning that the USD 17,250 fractal support could be tested
- Upside moves above the USD 23,850 resistance will create a higher high in the market and be considered as bullish
- Bearish/neutral on the technical, momentum is bullish based on price, the futures need to trade above USD 23,850 to create a higher high.

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Supramax Cal 22



Support	Resistance	Current Price	Bull	Bear
S1	R1	19,800		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is below 50 (48)
- Stochastic is above 50
- The near-term trend is bearish, having initially broken the long term trend support and the 200-period MA the futures have since rallied back above both. Price is just above the 21-period EMA with the RSI at 48 nearing neutrality
- Nearing neutrality the RSI is however below 50 with the stochastic in overbought territory, momentum is warning the technical is vulnerable to a test to the downside. However, as previously noted, if the RSI moves above and holds above the 50 level the faster moving stochastic is considered as less relevant
- The futures need to trade above USD 20,750 to be considered as bullish
- Downside moves that close below USD 19,352 would signal that momentum is weakening based on price
- The intraday RSI has the potential to produce a negative divergence above USD 19,875