



# Supramax Technical Report

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## Synopsis

### Index

The upside move is now deep into the last bear wave meaning the technical has a neutral bias. With war in the Ukraine making the Black Sea a high-risk area the index is starting to slowdown. A close below USD 26,104 will indicate that momentum based on price is weakening, warning the USD 23,016—USD 20,432 support levels could be tested. Upside moves above USD 28,065 will create a higher high taking the technical into bull territory. The slowdown in price would suggest that momentum based on price could soon be bearish.

### March 22

The futures remain technically bullish above the USD 24,880 level and neutral below. Price has consolidated for the last ten days before correcting on the back of the Russian invasion yesterday. Intraday Elliott wave analysis does suggest we still have the potential for another test to the upside, however the unwinding of market longs yesterday is warning that the psychological footprint of the market is potentially turning to the sell side, warning that support levels could be tested.

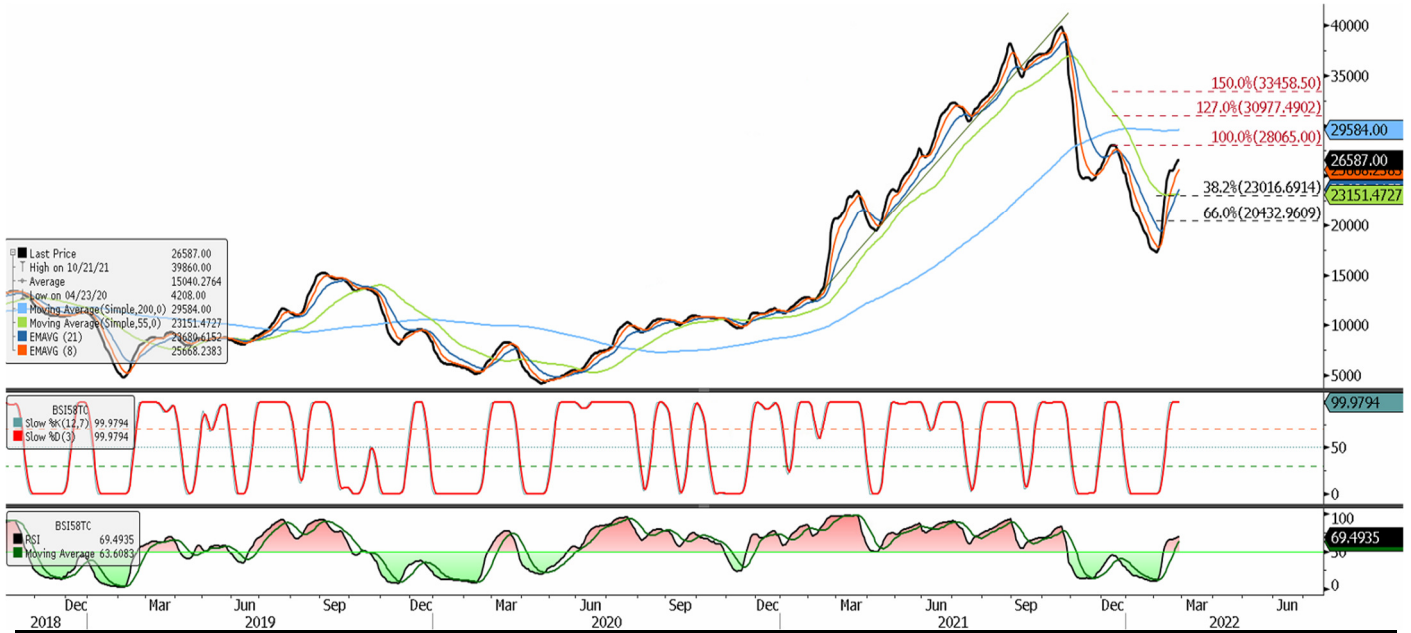
### Q2 22

The Elliott wave cycle would suggest there is another bull move to come with price eradicating yesterday's losses today. However, we think close attention should be paid to the USD 26,750 fractal support that was broken yesterday, to me it would suggest we could be in the early stages of a corrective phase (wave 4), meaning this could be a dead cat bounce. Technically bullish we are not convinced this is a technical buy at this point with opportunities possibly coming from the sell side.

### Cal 23

The future traded below the USD 16,950 fractal support yesterday. Price is holding support at the 21 period EMA with the RSI above 50 but our Elliott wave analysis would suggest that the futures have entered a corrective phase implying we have the potential to see sell signals in the market soon. Not a technical buy.

# Supramax Index



	Support	Resistance	Current Price	Bull	Bear
S1	23,016	R1	26,587	RSI above 50	Stochastic overbought
S2	21,920	R2			
S3	20,432	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (69)
- Stochastic is overbought
- Price is above the 8-21 period EMA's supported by the RSI, the technical has a neutral bias.
- A close on the index below USD 26,104 will mean that momentum is weakening based on price.
- Downside moves that hold at or above USD 20,432 will support a bull argument, below this level the futures will target the USD 17,237 low.
- Upside moves above USD 26,567 will create a higher high, at this point the technical is bullish.
- Neutral/bearish due to the depth of the pullback, momentum is bullish based on price supported by the RSI above 50. USD 26,104 is the near-term level to follow as there will be an expectancy of a momentum slowdown due to invasion in Ukraine.

# Supramax March 22



	Support	Resistance	Current Price	Bull	Bear	
S1	26,826	R1	27,750	RSI above 50	Stochastic overbought	
S2	26,000	R2				30,550
S3	24,880	R3				31,237

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Technically bullish on the last report supported by a bullish Elliott wave cycle, downside moves were considered to be countertrend. The futures spent 11 days in consolidation with price testing the USD 29,500-USD 29,250 resistance zone on four occasions. The futures entered the corrective phase yesterday on the back of the invasion in the Ukraine resulting in a technical pullback. Price is between the 8-21 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above the USD 24,880 will support a bull argument, below this level the technical will have a neutral bias.
- A close today above USD 28,247 would indicate that momentum is improving based on price, meaning the futures will target the USD 29,500 high.
- Intraday Elliott wave analysis is warning that we still have the potential for another bullish wave, making USD 24,880 the key support to follow. Elliott wave is a psychological footprint of the market, there is a strong possibility that market psychology changed with the invasion, as yesterday we saw market longs unwinding, price is stable today but this technical remains vulnerable to a downside move in the near-term.

# Supramax Q2 22



Support	Resistance	Current Price	Bull	Bear
S1	R1	28,600	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- In the Q2 the sentiment remains positive, price has eradicated yesterday losses with the futures above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above the USD 24,427 level will support a bull argument, below this level the futures will have a neutral bias, only below USD 20,375 is the longer-term technical bearish.
- The high at USD 29,400 created a negative divergence with the RSI, the selloff was driven by outside events, but it resulted in the futures breaking the USD 26,750 fractal support. The technical does have time on its side, as our Elliott wave analysis would suggest that there is another bull wave higher to come in this cycle. However, we think yesterday low is significant as it would suggest to me that we are in the early stages of a wave-4 corrective phase.
- This looks like it could be a dead cat bounce. There maybe a bullish wave-5 to come but this needs to correct first.

# Supramax Cal 23



Support	Resistance	Current Price	Bull	Bear
S1	R1	17,550	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- On the last report we noted - Intraday Elliott wave is warning that we have the potential for another test to the upside, if this is the case and the move is significant then it would open the possibility of a wave extension. The current divergence with the RSI is marginal at best. Technically bullish we are seeing a weakening on the intraday suggesting support levels could be tested. – The futures moved lower, held support then traded to a new high. Price is between the 8 – 21 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above USD 16466 will support a bull argument, below this level the technical has a neutral bias.
- Upside moves above USD 18,075 will be bullish.
- The futures traded to a low of USD 16,925, below the USD 16,950 fractal support. Our intraday wave analysis would suggest we are in the early stages of a corrective phase.