



Supramax Technical Report

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Synopsis

Index

The upside above USD 28,076 means the index is now in bullish territory with price above all key moving averages supported by the RSI above 50. The RSI is at 79, if it goes above 82 it will target the 92-resistance, suggesting we could see further continuation upside in the index. A close below USD 28,066 will mean that momentum is weakening based on price; however, corrective moves lower that hold at or above USD 21,621 will support a bull argument, below this level the technical will have a neutral bias.

April 22

Technically bullish and in trend with price above all key moving averages supported by the RSI above 50. The RSI on both the intraday and daily technical are making new highs, indicating we are on a bullish impulse wave 3, meaning corrective moves lower are likely to be against the trend. Downside moves that hold at or above USD 30,447 will support a bull argument, below this level the technical will have a neutral bias.

Q2 22

The upside move in the futures means that our momentum indicators have made new highs. This would suggest that we are seeing wave extension, meaning the futures remain on a bullish impulse wave 3 which is extending (as highlighted on the chart). Corrective moves lower should be considered as countertrend at this point, downside moves that hold at or above USD 29,392 will support a bull argument, below this level the technical will have a neutral bias. We are now USD 6,000 above the 21-period EMA meaning there is a mean reversion gap forming, this is not a sell signal but will need to be monitored, as it would suggest that price is overextended a little. If the averages do not move higher soon then we have the potential to either consolidate or produce a technical pullback.

Cal 23

The futures continue to hold moving average support with price trading to a new high, supported by the RSI above 50. The technical looks to be in an extended bullish impulse wave 3; however, we now have a negative divergence between price and the RSI. This is not a sell signal; it is a warning of the potential for a momentum slowdown and will need to be monitored.

Supramax Index



Support	Resistance	Current Price	Bull	Bear
S1	R1	30,062	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 (79)
- Stochastic is overbought
- The index continues to move higher with price above the USD 28,076 fractal resistance, the technical is now bullish based on the higher high. Price is above all key moving averages supported by the RSI above 50.
- Near-term resistance is now at USD 30,977, above this level the technical will target the USD 33,458 and USD 34,731 resistance levels.
- A close below USD 28,066 will warn the momentum is weakening based on price; however, corrective moves lower that hold at or above USD 21,621 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 17,273 is the technical bearish.
- At 79 the RSI is in overbought territory warning of the potential for a momentum slowdown. However, the RSI is above its moving averages with previous upside moves reaching 82 and 92 whilst this time last year it reached 100. If the RSI goes above 82 then it would suggest upside continuation in the index.

Supramax April 22



	Support	Resistance	Current Price	Bull	Bear
S1	33,470	R1	38,825	RSI above 50	Stochastic overbought
S2	32,187	R2	42,085		
S3	30,447	R3	43,437		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- We noted on the last report that the technical although bullish and stable, was vulnerable after market longs had started to exit due to the Russian invasion into the Ukraine. Price held in bull territory and there were no further sell offs. Price has since moved higher with the futures above all key moving averages supported by the RSI above 50.
- The new high on the RSI is being replicated on the intraday technical, indicating the futures are on a bullish wave 3, downside moves will be considered to be countertrend at this point based on our Elliott wave analysis.
- Corrective moves lower that hold at or above USD 30,447 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 26,750 is the daily technical bearish.
- Near-term resistance is at USD 38,825, above this level the futures will target the USD 42,085 and USD 44,862 resistance levels.
- Technically bullish and in trend, based on our wave analysis downside moves should be against the trend. We do have a mean reversion gap with the 21-period EMA that will need to be monitored, if the average does not move higher soon, then we could be vulnerable to a technical pullback.

Supramax Q2 22



	Support	Resistance	Current Price	Bull	Bear
S1	31,859	R1	35,400	RSI above 50	Stochastic overbought
S2	30,812	R2	37,836		
S3	29,392	R3	38,847		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- If it was a dead cat bounce on the last report it only lasted for a day or so. We had this as a corrective wave 4, the pull-back was shallow with the corrective phase being short. Our Elliott wave analysis had suggested there was another bull wave to come, on this point we were correct, the futures have moved higher. However, the upside move now has resulted in the RSI (and MACD which is not shown) moving to new highs, meaning we remain in a bullish impulse wave 3 that started 19/01/22. Price is above all key moving averages supported by the RSI above 50.
- Corrective moves lower that hold at or above USD 29,392 will support a bull argument, below this level the technical will have a neutral bias.
- As highlighted, we now look to be on a Bullish impulse wave 3 (it looks to be an extended wave 3), meaning downside moves should be considered as countertrend. The current high is at USD 35,250, based on our wave analysis we should soon trade above the USD 35,400 resistance.
- Technically bullish and in trend, the current Elliott wave count as we see it is highlighted on the chart. Again, we highlight the mean reversion gap with the 21-period EMA, warning either the average needs to move higher or the futures need to produce a technical pullback as price is looking a little overextended.

Supramax Cal 23



	Support	Resistance	Current Price	Bull	Bear
S1	17,722	R1	18,091	RSI above 50	Stochastic overbought
S2	17,556	R2	18,754		
S3	17,330	R3	19,600		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8 - 21-period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- The futures remain technically bullish with price above all key moving supported by the RSI above 50.
- Downside moves that hold at or above the USD 17,330 will support a bull argument, below this level the pullback is considered as deep meaning, the technical will have a neutral bias. Downside moves below USD 16,850 will create a lower low in the market, warning we could be entering a bearish phase.
- We continue to see wave extension in the futures with price looking like it is on a bullish impulse wave 3, suggesting downside moves should be against the trend.
- The RSI is now in divergence with price, this is not a sell signal, but it does warn that we have the potential to see a momentum slowdown.
- Technically bullish, the divergence will need to be monitored.

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