



# Supramax Technical Report

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## Index

Technically bearish with a neutral bias the RSI is now above 50. A close below USD 16,199 will warn that momentum is weakening based on price, whilst a move below USD 18,289 will further support a bear argument. If the RSI holds above 50 then the USD 19,503 resistance has the potential to come under pressure.

## November 22

Having moved lower on the back of the intraday divergence on the last report the futures are now moving higher. Price has traded above the USD 19,000 high of the rejection candle, warning that USD 19,500 high could be tested. A close above USD 19,500 will bring an inverse head and shoulders pattern into play, this in theory has bullish implications going forward. However, a note of warning, we have already seen a couple of failed breakouts, meaning momentum at this point is still not strong, secondly the seasonality drops around the 20/10, suggesting caution on any upside breakout.

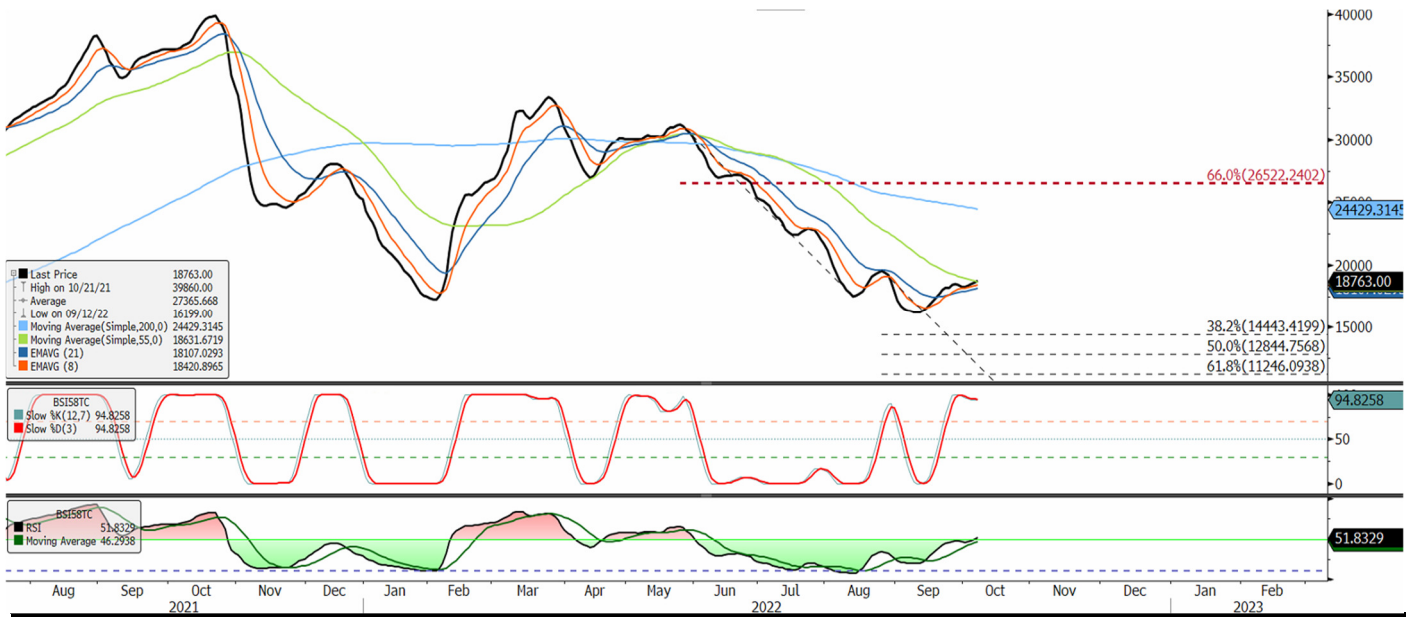
## Q4 22

Like the Nov contract the futures initially moved lower on the back of an intraday divergence before finding buying support, resulting in price moving to new highs. Another inverse H&S pattern is in play, except this one has already broken above and held the neckline, if we trade back above USD 18,800 then the USD 20,122 Fibonacci resistance will be targeted. Technically bullish we remain mindful of the index seasonality as it fits in with the longer-term wave count.

## Cal 23

After 11 days of consolidation the futures have now broken to the upside, price is above short- and - medium-term moving averages supported by the RSI above 50. The technical remains bearish but with momentum to the buy side, above USD 14,050 the technical will be bullish. However, upside moves that fail at or below USD 14,241 will leave the longer-term wave cycle vulnerable to a test to the downside.

# Supramax Index



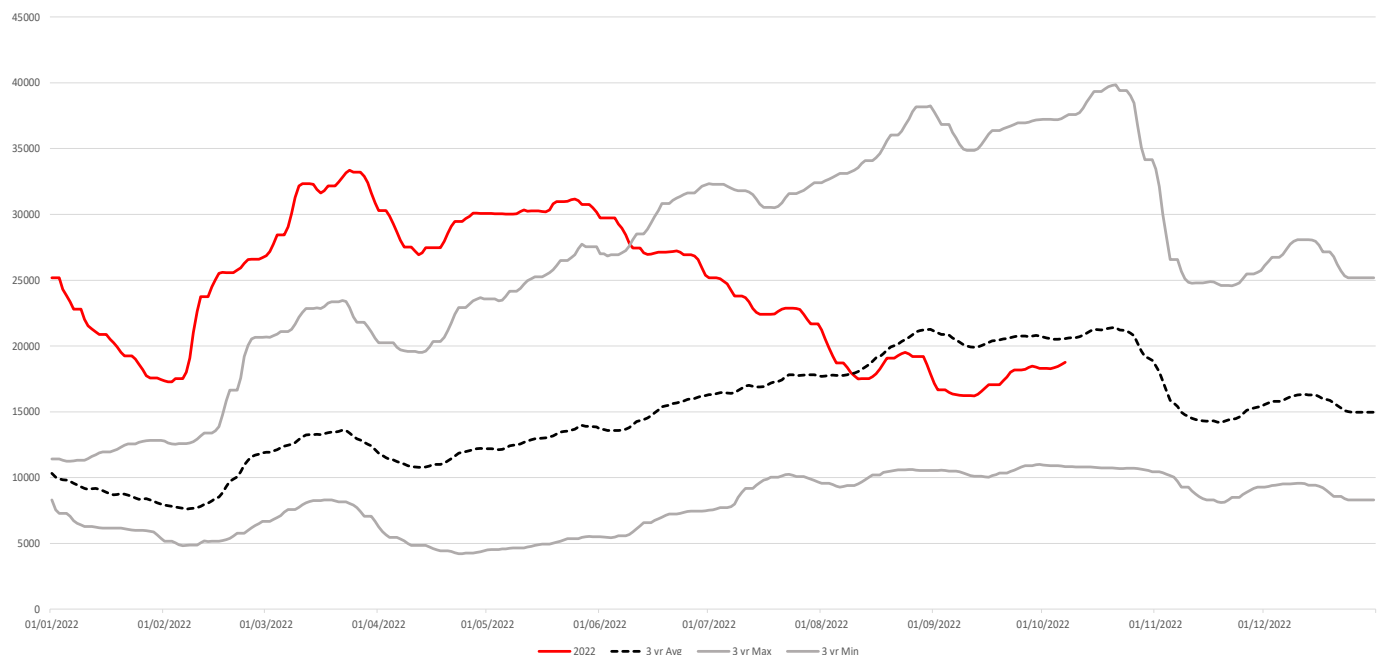
	Support	Resistance	Current Price	Bull	Bear
S1	18,289	R1	19,503	RSI above 50	Stochastic overbought
S2	16,199	R2	22,406		
S3	14,443	R3	22,880		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (51)
- Stochastic is above overbought
- Technically bearish on the last report with the index testing resistance supported by the RSI below 50 and an overbought stochastic. Resistance was broken taking the technical into neutral territory before consolidating for a week. Price is now moving higher with the RSI starting to move above 50, price is above the 8-21 period EMA's and testing the 55-period average.
- A close below USD 16,199 will indicate that momentum is weakening based on price, upside moves above USD 19,503 will mean we have made a higher high.
- Technically bearish with a neutral bias, if the RSI holds above 50, we could see the USD 19,503 fractal high come under pressure. Likewise, a close below USD 16,199 will warn of a potential momentum slowdown.

## Supramax Index 3-Year Seasonality Avg/max/Min



# Supramax November



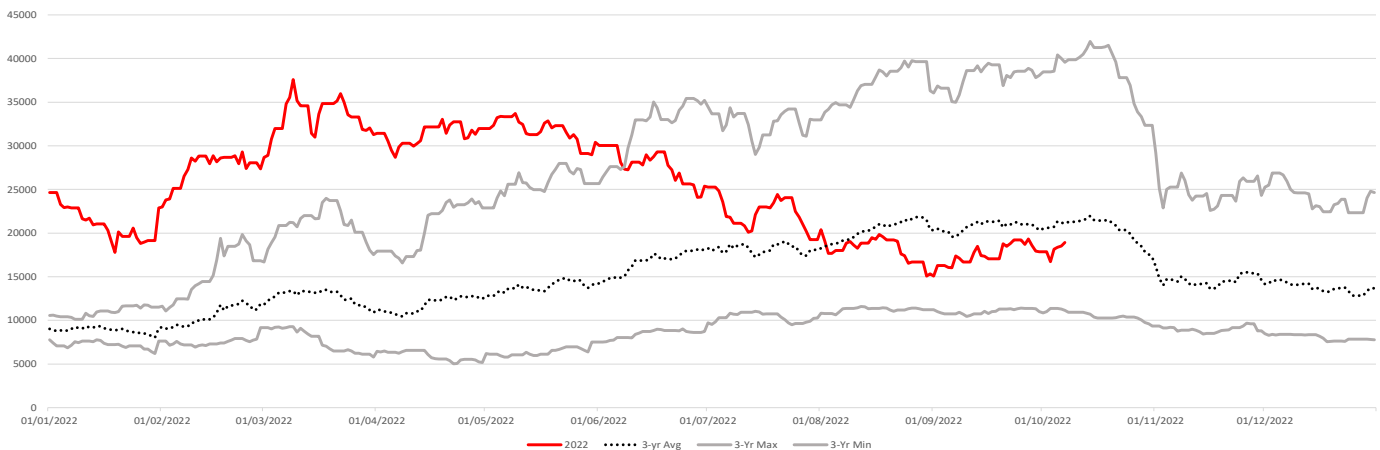
	Support	Resistance	Current Price	Bull	Bear
S1	16,425	R1	19,500	RSI above 50	
S2	16,375	R2	19,975		
S3	15,917	R3	20,150		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- We noted on the last report that the intraday technical was showing a negative divergence, warning of a potential momentum slowdown. Two days after the report the futures corrected USD 3,000. Price is now moving higher with the futures above short- and medium-term averages supported by the RSI above 50.
- Downside moves that hold at or above USD 15,959 will support a bull argument, below this level the futures will target the USD 14,200 low. Upside moves that fail at or below USD 27,153 will leave the longer-term wave cycle vulnerable to further tests to the downside, above this level the Elliott wave cycle becomes neutral.
- The futures have traded above the high of the rejection candle (USD 19,000), warning that the USD 19,500 fractal resistance could come under pressure. We have a bullish inverse head and shoulder pattern that could potentially come into play on a close above USD 19,500. This is not a classic pattern as the right shoulder is lower than the left, but it is a bullish pattern. We have a couple of concerns to monitor on a new high close; firstly, it has failed twice previously, warning that buy-side momentum has not been strong, secondly the seasonality tends to exhaust around the 20/10, implying if we do get a bullish breakout, it may not hold.
- Bullish, but warning flags ahead.

Supramax Rolling Front month 3-year Seasonality Avg/Max/Min



# Supramax Q4 22

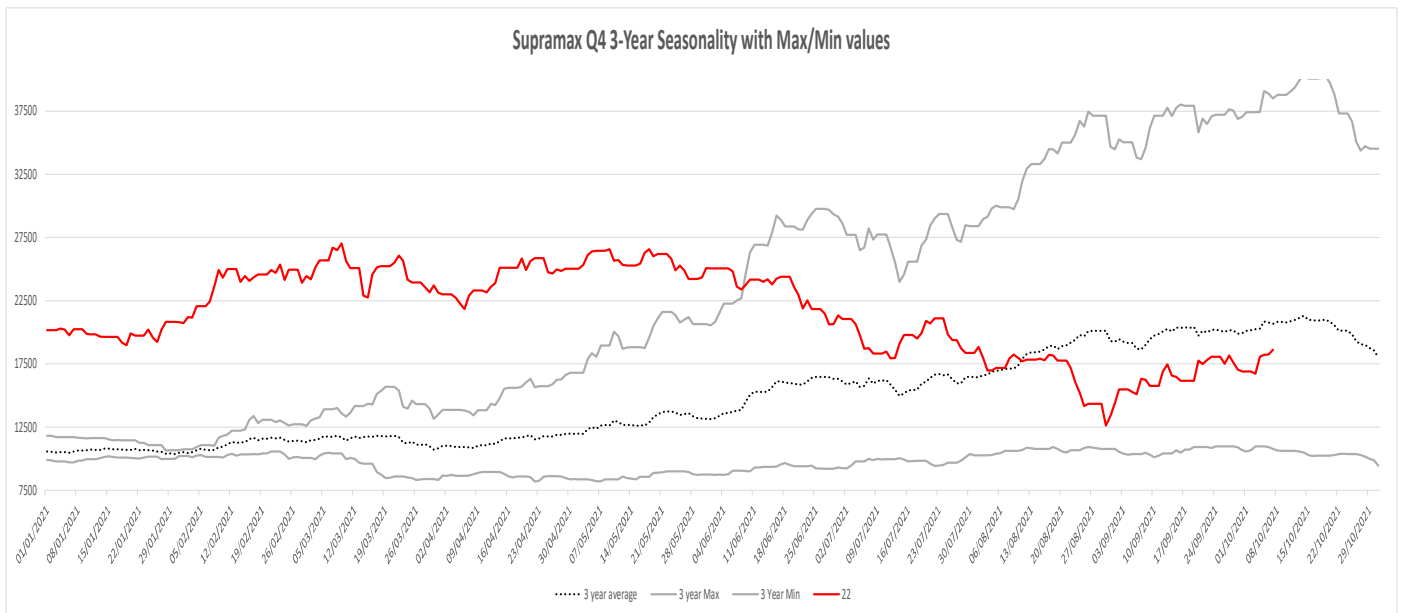


	Support	Resistance	Current Price	Bull	Bear
S1	17,298	R1	20,122	RSI above 50	Stochastic overbought
S2	16,525	R2	20,825		
S3	15,700	R3	21,527		

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8-21 period EMA
- RSI is above 50 (55)
- Stochastic is overbought
- Technically bullish and in divergence on the last report with a negative intraday divergence that needed to be monitored, this resulted in a USD 1,800 pullback. The futures have since moved higher, with the technical now bullish based on price. The futures are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 17,298 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 16,525 is it bearish.
- Another inverse H&S pattern with the shoulders the wrong way round. The difference is, having failed previously to hold the breakout we are on now above the neckline, if we trade above USD 18,800 then we have the potential to test the USD 20,122 resistance in the near-term.
- Technically bullish, we remain mindful of the seasonality chart, as this is in line with are longer term Elliott wave count.



# Supramax Cal 23



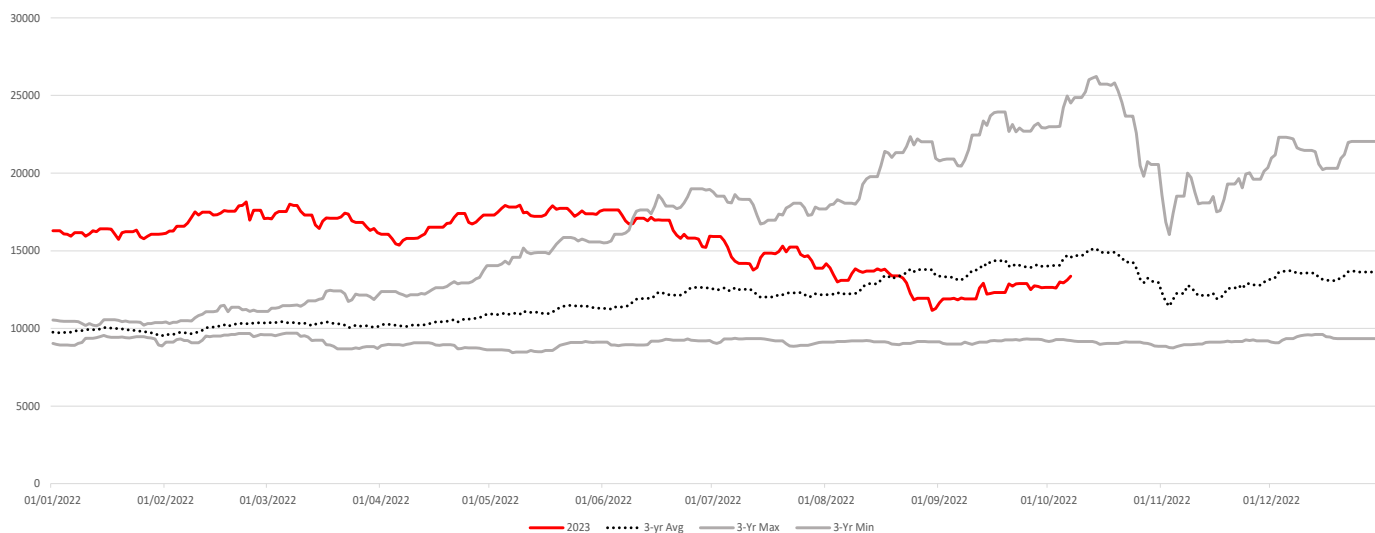
	Support	Resistance	Current Price	Bull	Bear
S1	12,993	R1	13,637	RSI above 50	Stochastic overbought
S2	12,715	R2	14,241		
S3	12,462	R3	14,717		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (53)
- Stochastic is overbought
- Having consolidated for 11 days the futures have now broken to the upside. Price is above the short-and -medium-term moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 12,715 will support a bull argument, below this level the futures will have and neutral bias. Only below USD 12,462.5 is the technical bearish.
- Near-term price action remains to the buy-side but the longer-term technical remains bearish, above USD 14,050 the futures will be bullish based on price. However, upside moves that fail will at or below USD 14,241 will leave the longer-term wave cycle vulnerable to a downside move, above this level the cycle is neutral.

## Supramax Calendar 3-year Seasonality Avg/Max/Min



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