



Supramax Technical Report

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Index

The index had looked vulnerable on the last report as the relative strength warned that we were seeing a momentum slowdown. We have entered a corrective phase with the MA on the RSI turning lower, suggesting the USD 12,770 fractal support is starting to look vulnerable. At this point the technical is bullish and in a corrective phase, as we remain above USD 13,334 support. A close above USD 14,446 is needed for momentum based on price to be seen as strengthening.

April 23

Having broken fractal support the technical is now bearish, the MA on the RSI would suggest momentum remains weak at this point. However, we have minor positive divergence on the intraday that is warning that we have the potential to see a momentum slowdown, this will need to be monitored, it is a minor divergence and does have a higher chance of failing. Likewise, a neutral RSI and oversold stochastic are warning we could see a momentum move higher if the RSI moves above and holds above the 50 level. We are a cautious bear at these levels as the seasonality average looks to turn bullish with the May roll alongside the divergence.

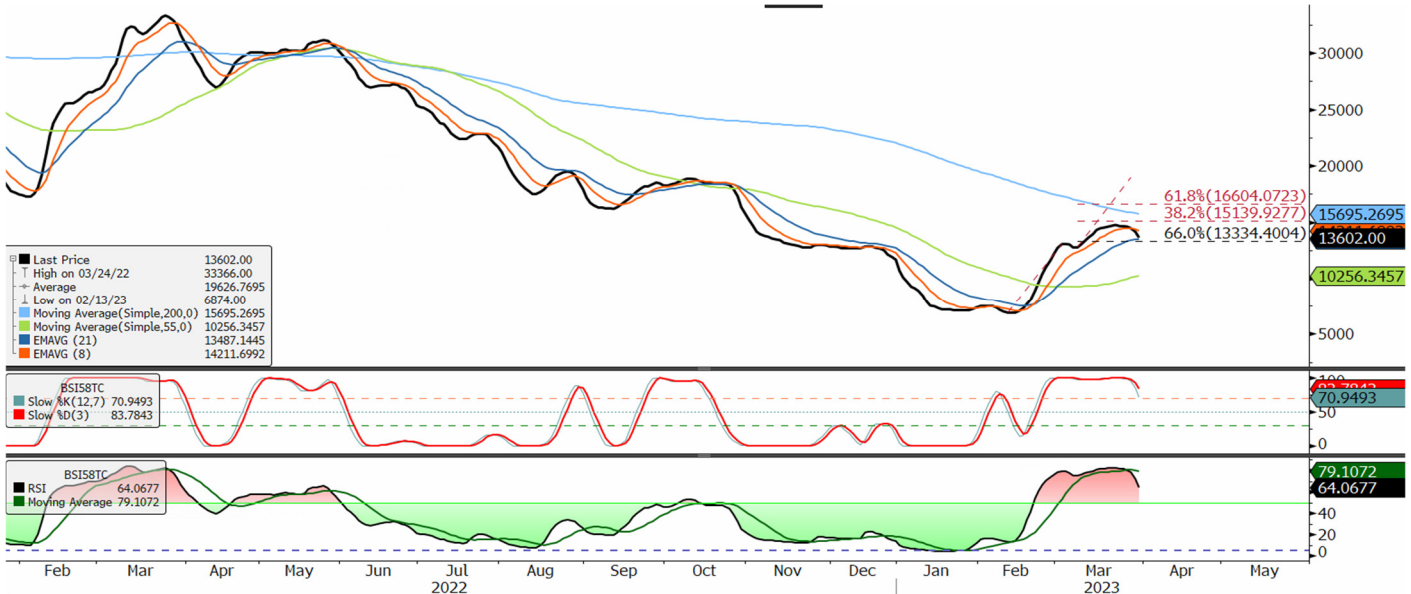
Q3 23

The futures look to be in a corrective countertrend wave 4 with price consolidating in the form of a symmetrical triangle. As we are in a wave 4 it would suggest that the symmetrical triangle has a higher probability of breaking to the downside with a potential target around USD 15,150. Seasonality does turn higher in about a week, supporting this move as corrective. If we do break to the upside on the symmetrical, it will indicate a shallow pullback, suggesting we could see a strong bullish impulse wave.

Cal 24

This phase of the Elliott wave cycle looks to have completed; this does now mean we are a strong bear as the Q3 is countertrend whilst seasonality is bullish in a week or so. The futures are moving lower with price breaking channel support, there is a good chance that this 5-wave impulse move higher, alongside the move lower are part of a longer-term bull cycle. Meaning November to March is a wave 1 of a larger cycle and this current correction is a wave 2. If I am right, and we move back up to new highs then we are looking at a sustained bull cycle.

Supramax Index



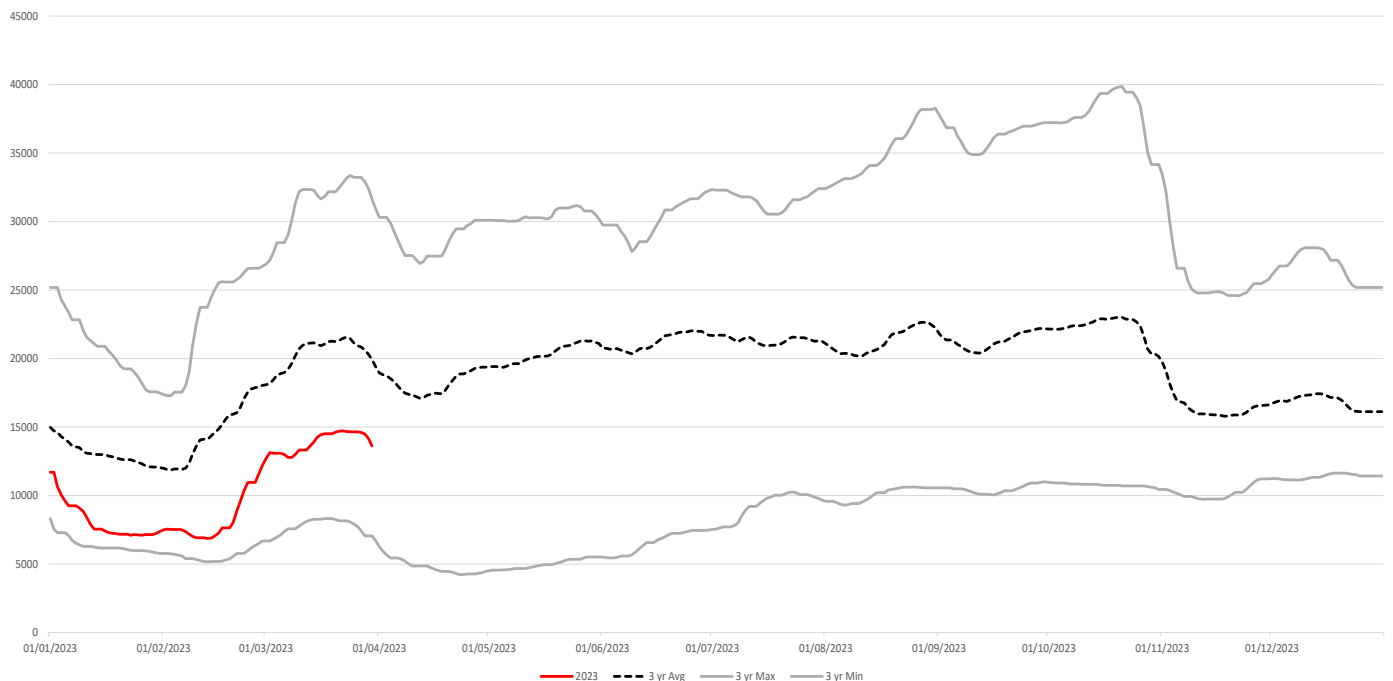
	Support	Resistance	Current Price	Bull	Bear
S1	13,334	R1	15,139	RSI above 50	Stochastic overbought
S2	12,770	R2	15,872		
S3	12,041	R3	16,604		

Synopsis - Intraday

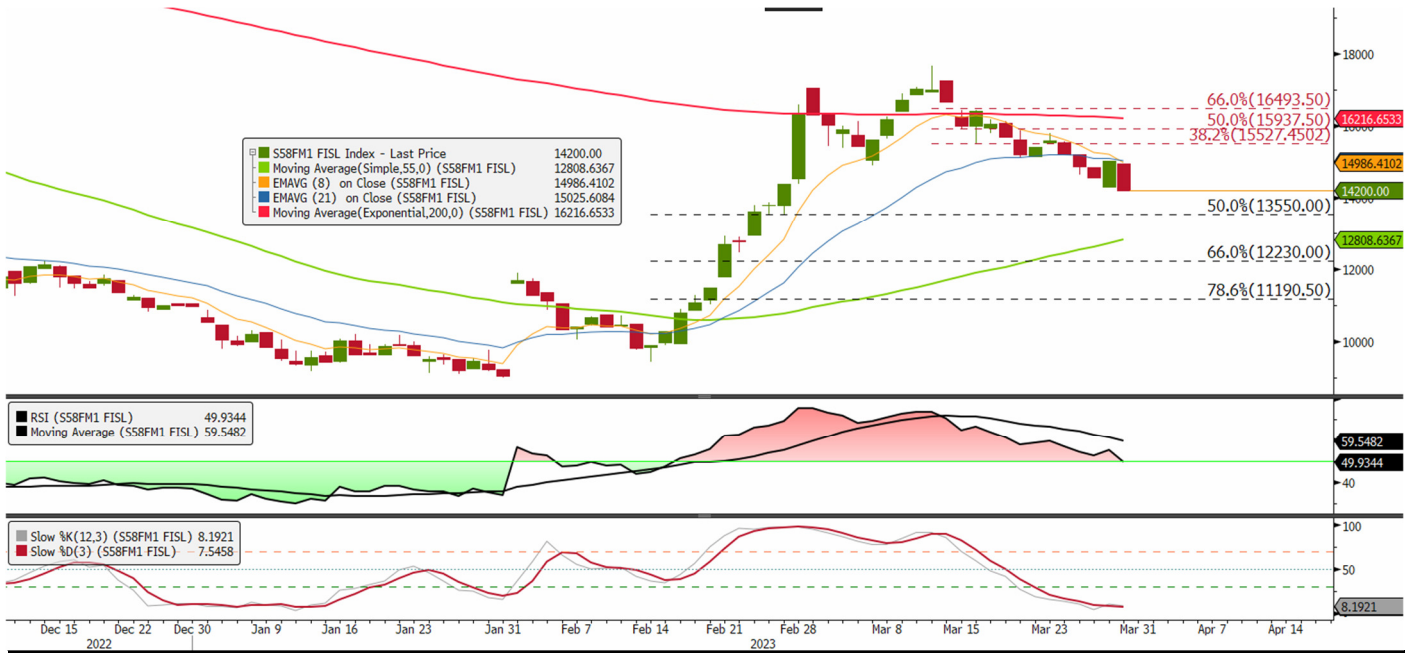
Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (64)
- Stochastic is overbought
- We noted on the last report that the MA on the RSI was weakening, warning buy-side momentum was slowing whilst 3-year seasonality charts also warned the market had the potential to enter a corrective phase soon. The index is now moving lower with price between the 8-21 EMA's supported by the RSI below 50.
- Momentum based on price is aligned to the sell side, a close above 14,466 will mean it is aligned to the buy-side. Downside moves that hold at or above USD 13,334 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 12,770 is the technical bearish.
- Technically bullish, price is nearing key near-term support with MA on the RSI starting to turn lower, suggesting the USD 12,770 fractal low is starting to look vulnerable.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax April 23



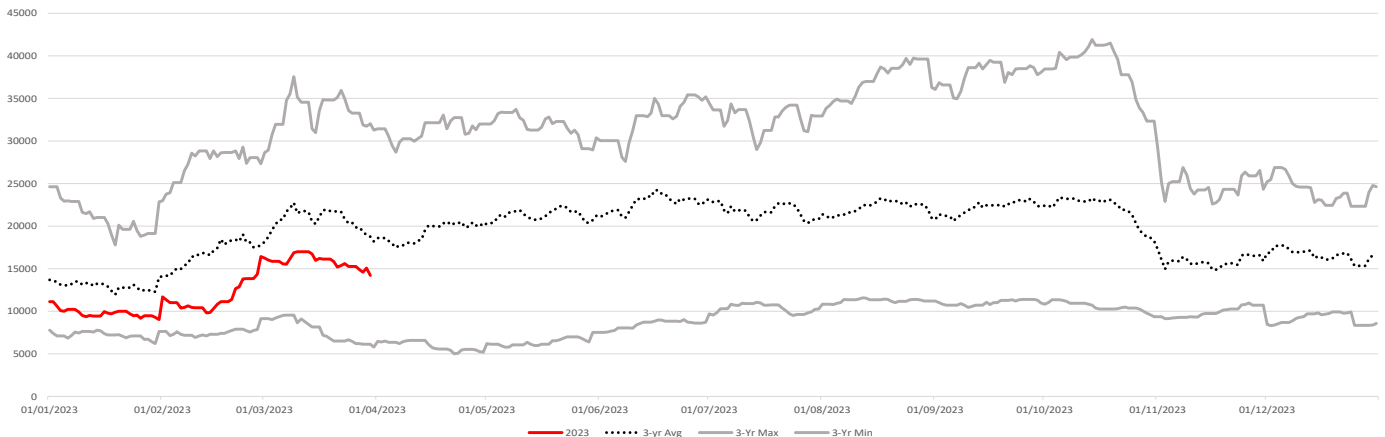
Support		Resistance		Current Price	Bull	Bear
S1	13,776	R1	15,527	14,200	Stochastic oversold	RSI below 50
S2	13,550	R2	15,937			
S3	13,225	R3	16,493			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (49)
- Stochastic is oversold
- We noted on the last report that we had breached the USD 15,843 support, meaning the technical although bullish had a neutral bias. The RSI had moved below its MA warning buy-side momentum was weak, indicating support levels were vulnerable, whilst seasonality charts suggested we could enter a corrective phase. The futures have moved lower with price below the 8-21 period EMA's, the RSI is neutral at 49.9.
- Upside moves that fail at or below USD 16,493 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 12,230 will support a longer-term bull argument.
- Technically bearish having broken fractal support, the MA on the RSI would suggest that sell-side momentum remains weak. However, we have a minor divergence on the intraday RSI that is warning we have the potential to see a momentum slowdown, this will need to be monitored. It should be noted that if we move much lower the divergence will fail. Likewise, the RSI is neutral with the stochastic in oversold territory, if the RSI moves above and holds above 50, then momentum will be vulnerable to a test to the upside. A cautious bear due to the divergence alongside the seasonality chart, which looks to turn bullish on the May roll. Key longer-term support to follow is at USD 12,230.

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



Supramax Q3 23

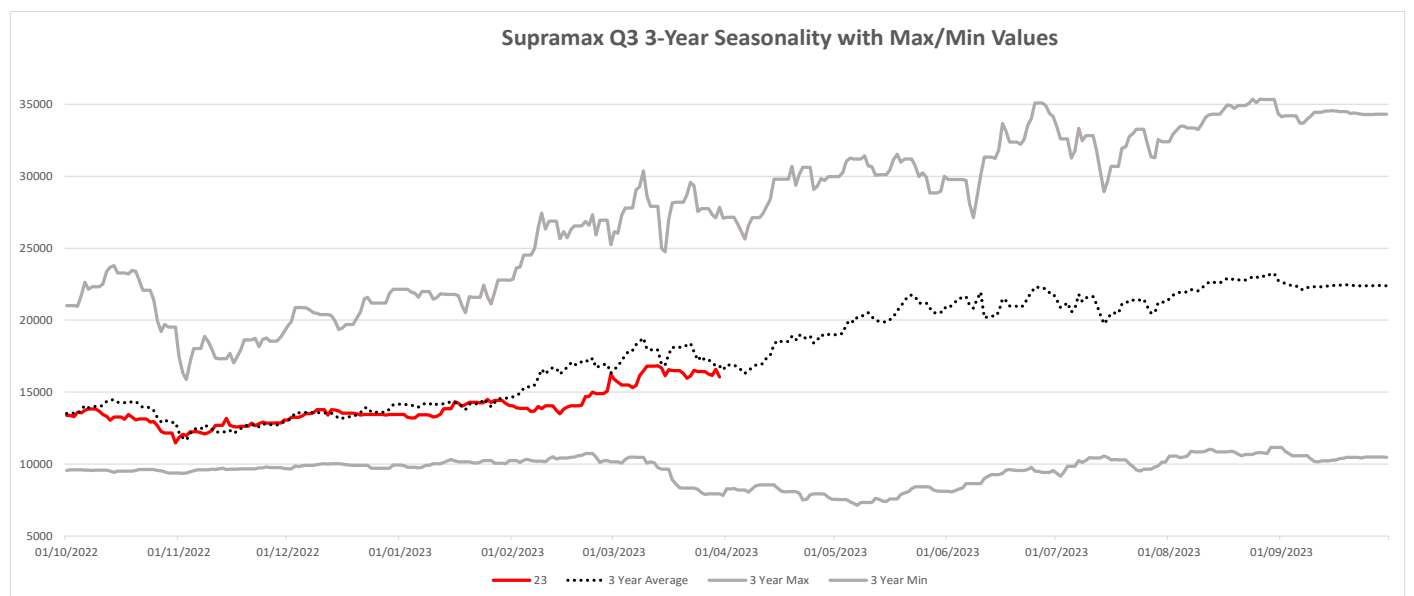


	Support	Resistance	Current Price	Bull	Bear
S1	15,723	R1	16,050	RSI above 50	
S2	15,445	R2			
S3	14,975	R3			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is above 50 (54)
- Stochastic is below 50
- We have seen some consolidation on the last couple of weeks with the Q3 futures looking like they have formed a symmetrical triangle pattern. Price remains between the 8-21 period EMA's with the RSI above 50.
- The downside move below USD 15,723 means that the technical, although bullish does have a neutral bias. We can also see that the futures breached the USD 16,656 resistance but failed to hold the move, resulting in the symmetrical pattern.
- Technically bullish with a neutral bias but in consolidation. The futures are now corrective having completed an Elliott wave 3 between 14/02/23 and the 14/03/23, suggesting the move lower that we are seeing is countertrend. Seasonality chart would also suggest we have another move higher to come. As this is a wave 4 correction it would suggest the symmetrical break will be to the downside, with a target around the USD 15,150 area. Key support on this technical is at USD 14,617. If we break to the upside of the pattern and trade to new highs it will indicate that the pullback is shallow, which would suggest we could see a strong bullish impulse wave.



Supramax Cal 24



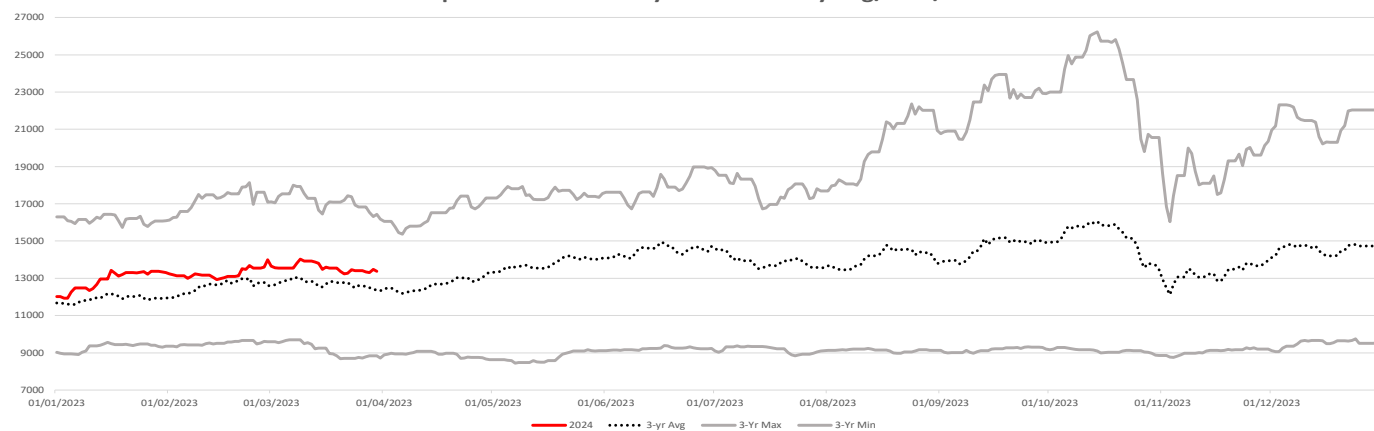
Support	Resistance	Current Price	Bull	Bear
S1	R1	13,425	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is at 50
- Technically bullish on the last report but in a corrective phase, we noted that the MA on the RSI was starting to flatten, warning buyside momentum was weakening. The futures have continued to move lower with price now trading between the 8-21 period EMA's, the RSI is holding just above 50.
- Upside moves that fail at or below USD 13,801 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- This is an interesting technical, we have broken channel support and look to have completed a 5-wave Elliott cycle. Now this does not mean that we are going back to the lows, it is more likely that it is just this phase of the cycle that has completed. We base this on the Q3 Elliott cycle being corrective not bearish and the seasonality chart which will turn to the buyside in the next 10 days. Once this bear phase has completed, if we do enter a bull cycle and trade to new highs, then we will be entering a higher timeframe Elliott wave 3. If this happens, it would be very bullish.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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