



Supramax Technical Report

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Index

Technically bearish, the MA on the RSI would suggest that buy-side momentum is still weak. However, weekly momentum is supported whilst the daily RSI is above 50 with the stochastic in oversold territory, implying we could move higher. With momentum based on price now aligned to the buy-side, resistance levels are starting to look vulnerable.

May 23

Technically bullish with the futures testing the USD 16,075 fractal resistance and the 200-period EMA, a close above USD 16,075 will further support a bull argument. The question over this upside move being a bullish impulse wave 3, or a counter-trend wave B remains. If we trade above USD 16,493 then the probability of the futures being a bullish impulse wave 5 will increase. Likewise, a move below USD 14,550 would suggest we are in a countertrend wave 4 still.

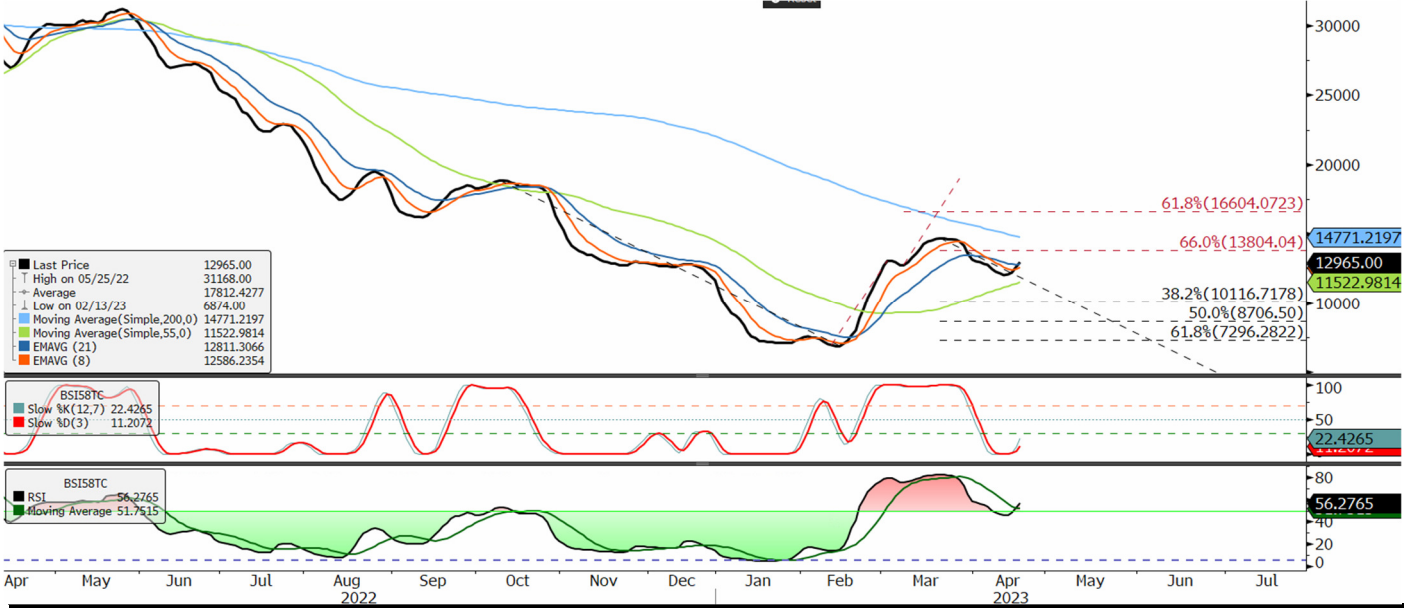
Q3

We have highlighted in the two boxes the recent move in time and price, we can see that the move is not a bullish impulse move as the futures have been consolidating. It could be that this will eventually form into a consolidation triangle at some point, but right now we lack structure. If we do trade to a new high then it will confirm a bullish impulse wave 5, meaning we have a potential upside target at USD 18,029 for this phase of the cycle.

Cal 24

The MA on the RSI is flat, the EMA's are flat, the futures are consolidating and currently neutral.

Supramax Index



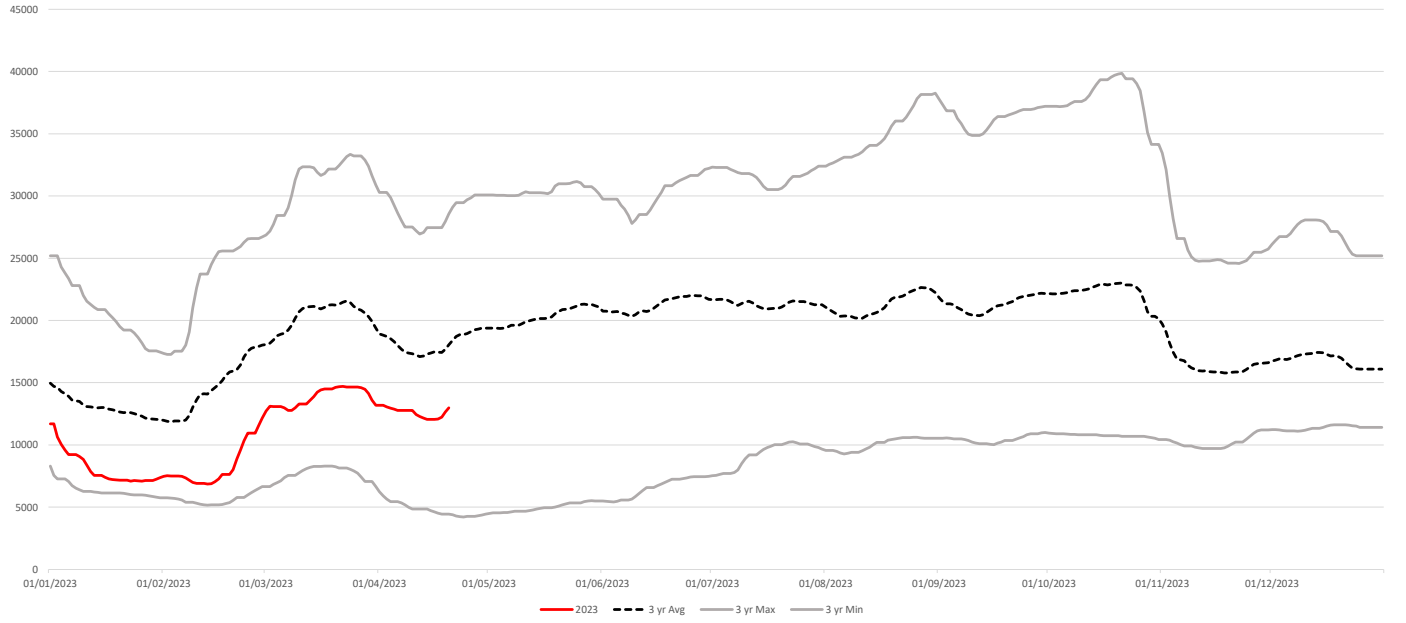
Support	Resistance	Current Price	Bull	Bear
S1	R1	12,965	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI continued to suggest that sell side momentum was weak, suggesting that support levels remained vulnerable in the near-term. However, we noted that weekly momentum was supported suggesting the downside move was potentially countertrend. The index moved lower for only one more session before moving higher, price is above the 8-21 period EMA's supported by the RSI above 50.
- Momentum base on price is aligned to the buyside, a close below USD 12,271 will mean it is aligned to the sell side. Upside moves that fail at or below USD 13,804 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI would suggest that buyside momentum is weak; however, countering this, the RSI is now above 50 with the stochastic in oversold territory. With weekly momentum being supported, the USD 13,804 and USD 14,703 resistance levels now look vulnerable.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax May 23



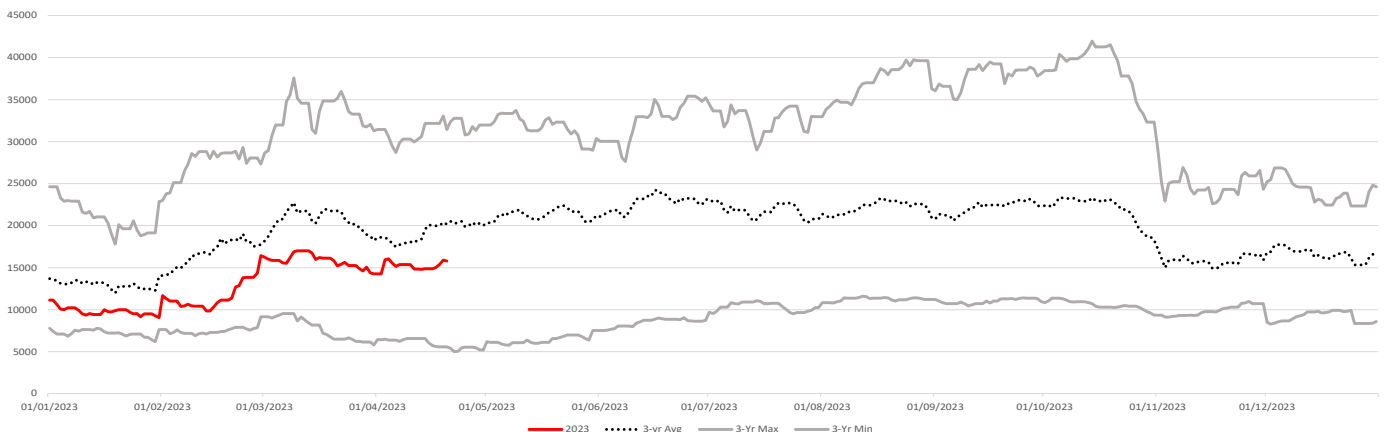
Support		Resistance		Current Price	Bull	Bear
S1	14,550	R1	15,937	15,875	RSI above 50	
S2	14,200	R2	16,493			
S3	13,550	R3	16,931			

Synopsis - Intraday

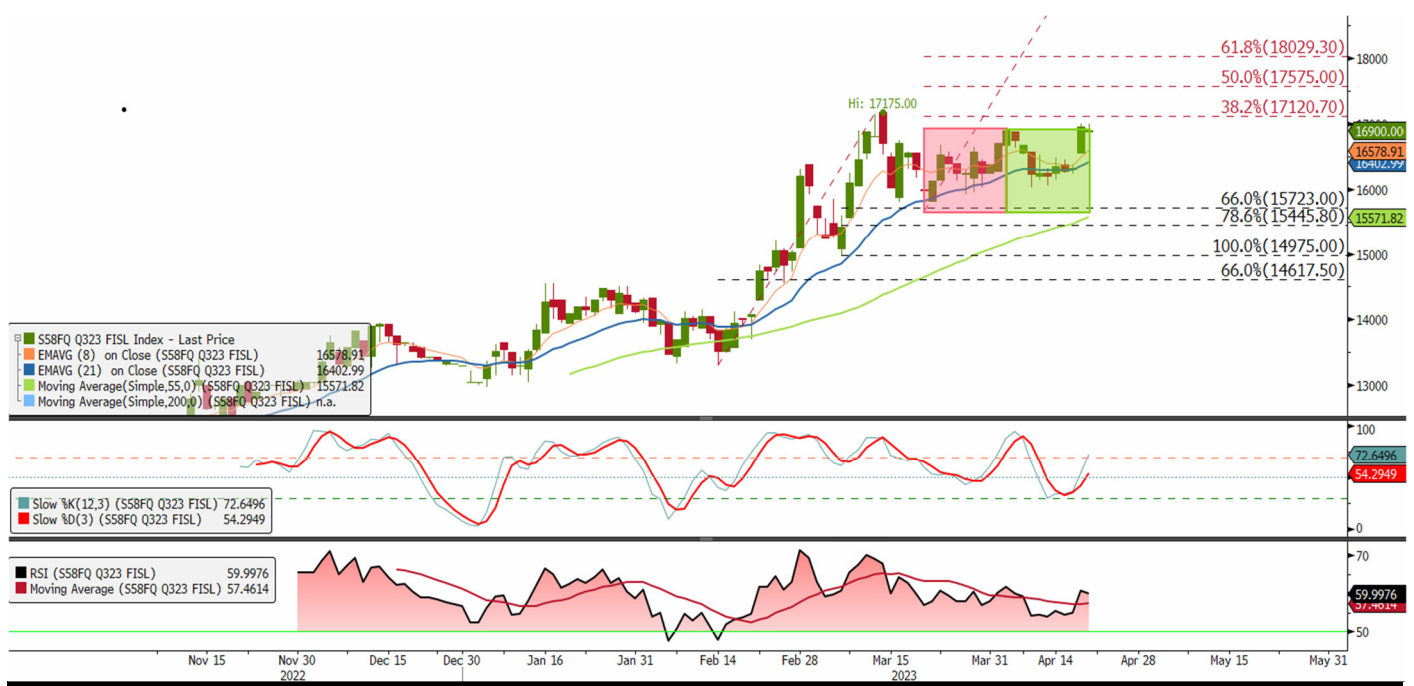
Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is above 50
- Technically bullish with a neutral bias last week, the EMA's were flat indicating a lack of trend in the market. Below USD 14,200 would indicate the futures were in a complex corrective wave 4; likewise, upside moves above USD 16,075 would suggest the move is a bullish impulse wave 5, making USD 14,200 the key support to follow. The futures held support with price trading to a high of USD 16,075 yesterday, price is above the 8-21 period EMA's supported by the RSI above 50.
- 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 futures will target the USD 17,675 fractal high.
- The futures are now testing fractal resistance and the 200 period EMA, a close above that holds above this level will support a buyers argument; however, USD 16,493 remains the key level to follow. Wave B, or Wave 5? If you read my other reports, you will know that I am not sure on this one. The index is bullish, but the carry is at 3k, and price is over 1k above the index high. However, the original move lower before the roll looks like a 3-wave zig-zag correction, rather than an expanding flat, supporting a bull move; the time period is also long enough to suggest it is impulse. If we trade above USD 16,493 the futures are probably bullish impulse wave 5, whilst below USD 14,550 a countertrend wave 4.

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



Supramax Q3 23

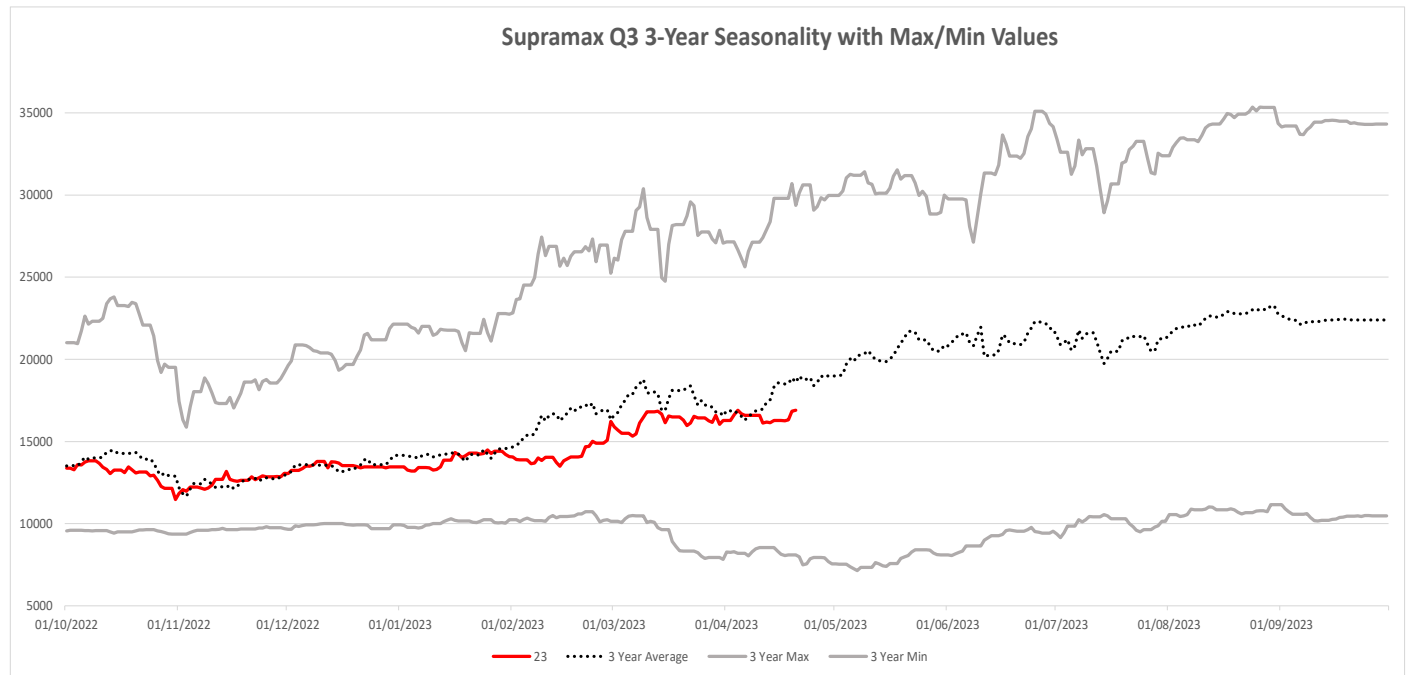


	Support	Resistance	Current Price	Bull	Bear
S1	15,723	R1	17,120	RSI above 50	
S2	15,445	R2	17,575		
S3	14,975	R3	18,029		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is above 50
- Corrective not bearish last week, momentum was weakening, leaving support levels vulnerable in the near-term; however, we maintained our longer-term view that the downside move looks to be countertrend. The futures moved sideways until we moved higher yesterday. Price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 15,723 will support a near-term bull argument, below this level the technical will have a neutral bias. Only below USD 14,975 is the technical bearish.
- The recent move higher in the futures is not bullish impulse, as highlighted by the two boxes, however, it still has the potential to form a clearer consolidation pattern in the future. At this point we are in some form of corrective wave 4, or the early stages of a wave 5; however, due to the consolidation we lack wave structure. If we do trade above USD 17,175 it will confirm a bullish Elliott wave 5, meaning we have a potential upside target at USD 18,029 for this phase of the cycle.



Supramax Cal 24



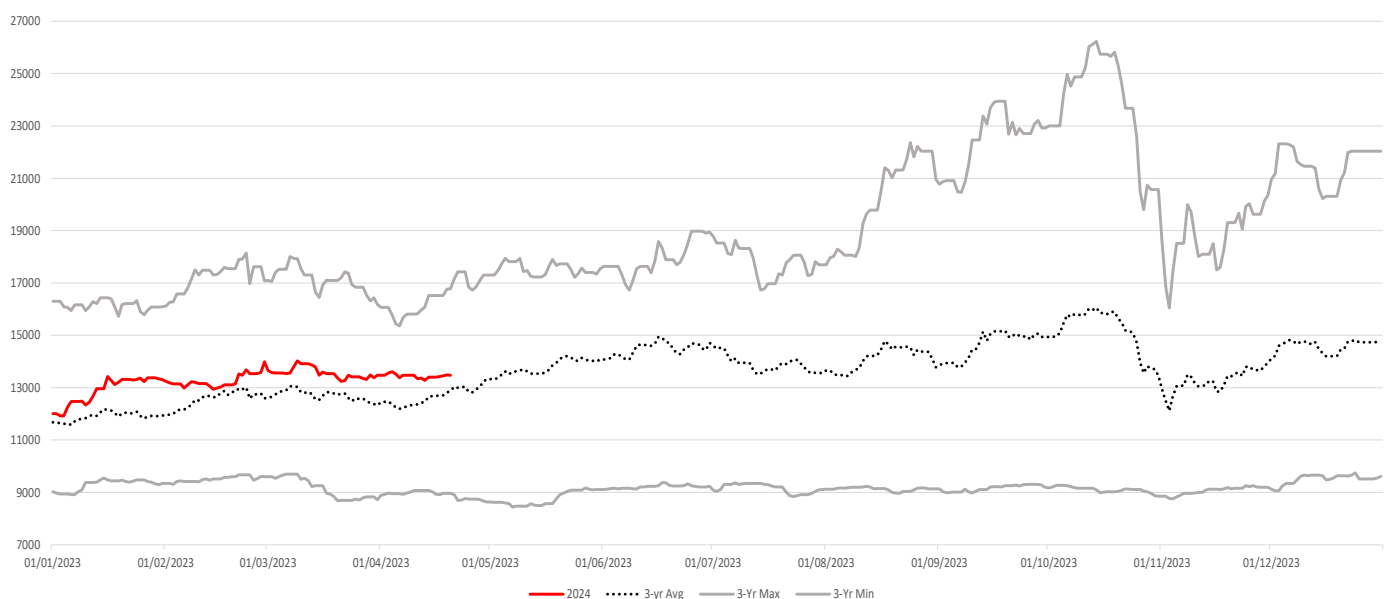
Support	Resistance	Current Price	Bull	Bear
S1	R1	13,475		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is at 50 (51.85)
- Stochastic is above 50
- Technically unchanged from the previous couple of weeks. We remain bullish with a neutral bias; the RSI is above 50 with price between the 8-21 period EMA's.
- 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.
- Technically neutral and consolidating.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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