



Supramax Technical Report

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Index

The technical remains bearish with price looking like it could be about to move below the USD 13,182 level, if we do, then momentum based on price will be aligned to the sell side. However, we remain cautious on downside moves at this point A) because the downside move in the May futures looks to be a countertrend wave 4 B) the MA on the RSI on the weekly chart would suggest higher timeframe momentum remains supported at this point.

May 23

Having rejected the USD 16,075 fractal resistance last week, the futures have traded below the USD 14,550 support, confirming that the recent upside move was a corrective Elliott wave B, rather than a bullish impulse wave 5. The technical is bearish with intraday Elliott wave analysis suggesting that the futures are on wave 3 of a corrective wave C. This means that upside moves should be considered as against the trend (in the near-term), the MA on the RSI implies that momentum continues to remain weak.

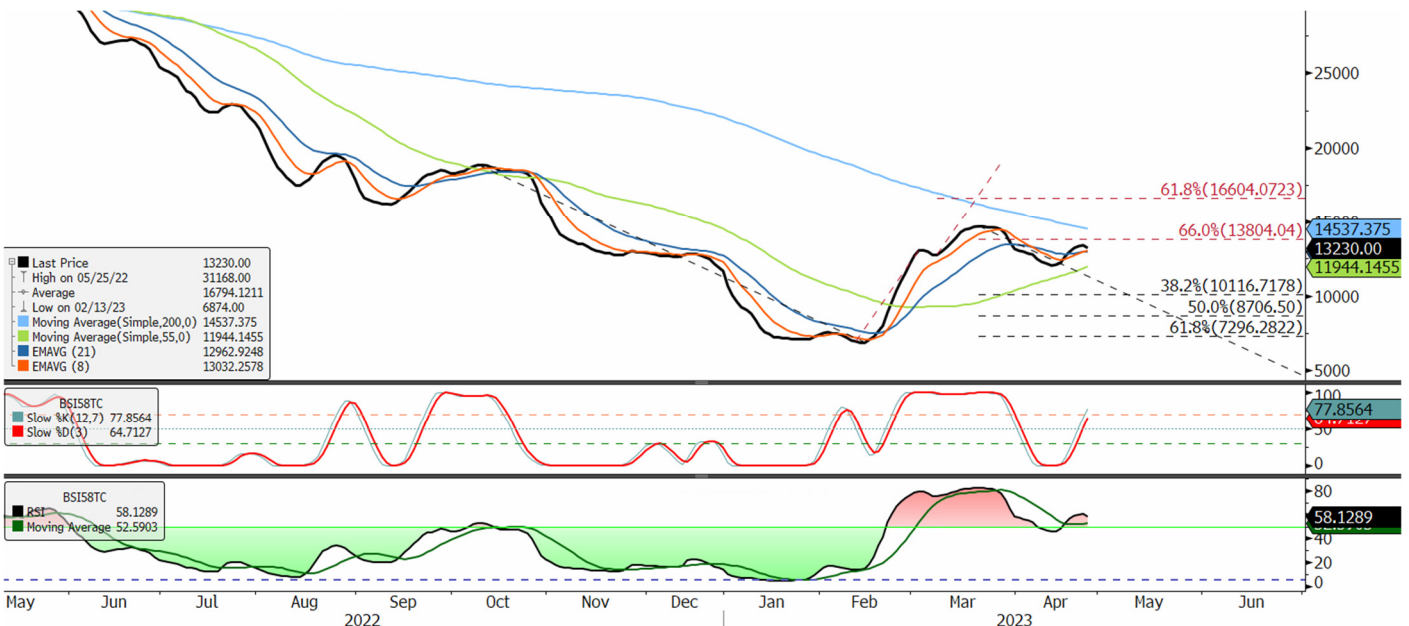
Q3 23

The two boxes on the chart last week highlighted that the upside move was not bullish impulse as the wave analysis lacked bullish structure, meaning the futures had to trade above the USD 17,175 fractal high to confirm it was a bullish wave 5. The futures have subsequently corrected, suggesting we remain in a countertrend wave 4. Lower timeframe intraday Elliott wave analysis would suggest the upside moves should be considered as countertrend, this is supported by the MA on the RSI which indicates that momentum remains weak. Like the May contract, we look to be in Elliott wave 3 of Wave C of a corrective wave 4.

Cal 24

Technically neutral last week due to price being in consolidation whilst the EMA's were flat, indicating a lack of trend in the market. The futures broke to the downside meaning the technical is considered as bearish again. Intraday analysis would suggest that upside moves should be considered as countertrend, making USD 13,388 the key resistance to follow in the near-term.

Supramax Index



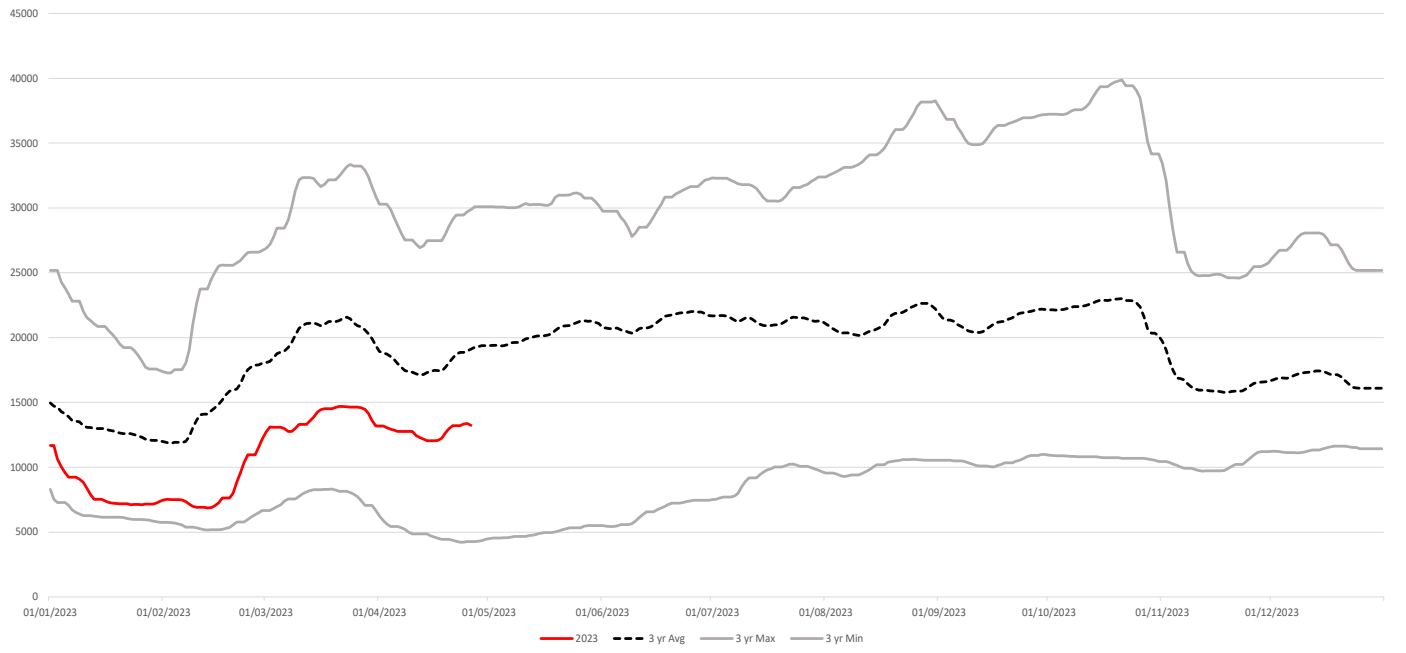
	Support	Resistance	Current Price	Bull	Bear
S1	12,059	R1	13,804	RSI above 50	
S2	10,116	R2	14,703		
S3	8,706	R3	16,604		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is above 50
- Technically bearish last week, the MA on the RSI suggested that buy-side momentum was weak; however, countering this, the RSI was above 50 with the stochastic in oversold territory. With weekly momentum being supported, the USD 13,804 and USD 14,703 resistance levels looked vulnerable. The index traded to a high of USD 13,378 but has started to correct a little. Price is above the 8 – 21 period EMA's supported by the RSI above 50.
- Momentum based on price is aligned to the buy-side, a close below USD 13,182 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.
- The index remains technically bearish with price potentially about to move below the USD 13,182 level. However, we remain cautious on downside moves, as the momentum on the weekly chart remains supported at this point, suggesting downside moves have the potential to be limited.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax May 23



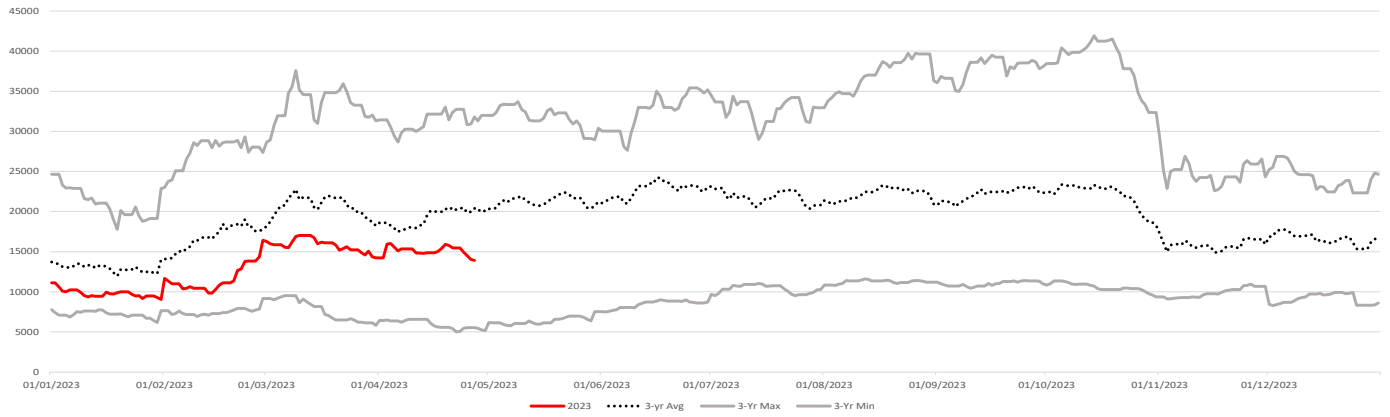
	Support	Resistance	Current Price	Bull	Bear
S1	13,363	R1	14,730	Stochastic oversold	RSI below 50
S2	12,625	R2	14,987		
S3	12,230	R3	15,335		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (44)
- Stochastic is oversold
- The futures were testing fractal resistance and the 200 period EMA last week, a close above that held above this level would have supported a buyers argument; however, USD 16,493 remained the key level to follow. Elliott Wave B, or Wave 5 was the question. If you read our other reports, you would have known that I was not sure on this. The index was bullish, but the carry was at 3k with price over 1k above the index high. However, the original move lower before the roll looked like it was 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 traded above USD 16,493 the futures are probably bullish impulse wave 5, whilst below USD 14,550 a countertrend wave 4. The futures rejected the fractal resistance resulting in price trading below the USD 15,550 support, price is now below all key moving averages supported by the RSI below 50.
- Upside moves that failed at or below USD 15,293 will leave the futures vulnerable to further tests to the downside, above this level the futures will target the USD 16,075 fractal high.
- Technically bearish, the futures are in a corrective wave 4, intraday Elliott wave analysis would suggest that upside move should be considered as countertrend at this point. The MA on the RSI would imply that momentum remains weak. The intraday Elliott wave count looks to be a wave 3 of a wave C.

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



Supramax Q3 23

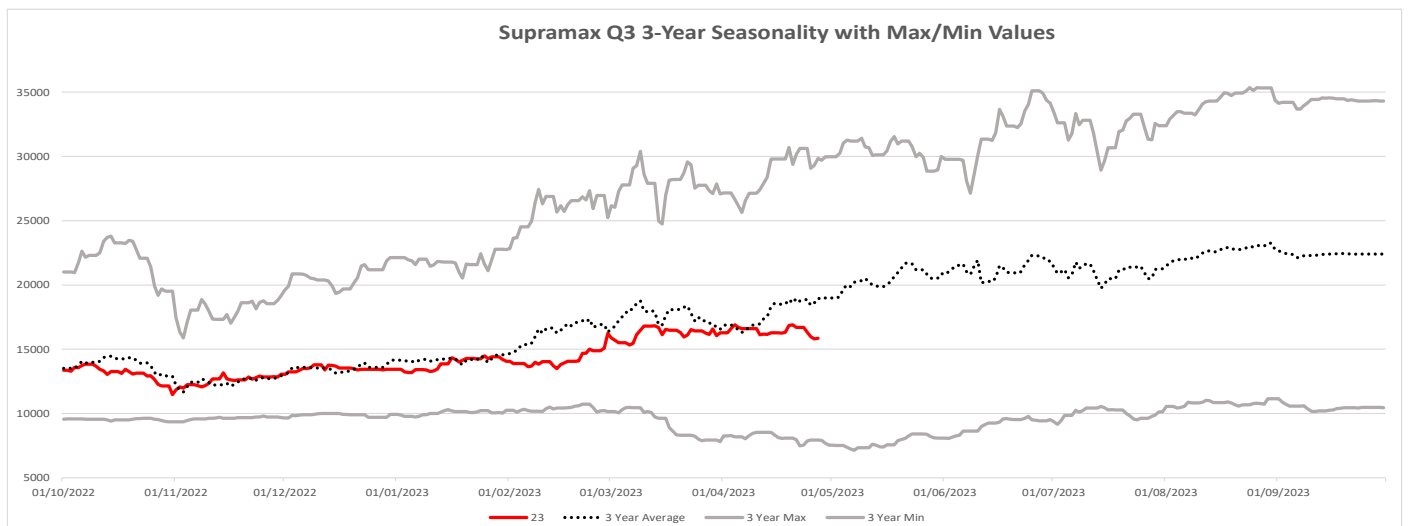


	Support	Resistance	Current Price	Bull	Bear	
S1	15,723	R1	15,850	Stochastic oversold	RSI below 50	
S2	15,475	R2				13,368
S3	15,063	R3				16,570

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is above 50
- The noted last week that the move higher in the futures was not bullish impulse, as highlighted by the two boxes, however, it still had the potential to form a clearer consolidation pattern in the future. At that point we were in some form of corrective wave 4, or the early stages of a wave 5; however, due to the consolidation we lacked wave structure. If we did trade above USD 17,175 it would confirm a bullish Elliott wave 5, meaning we had a potential upside target at USD 18,029 for this phase of the cycle. As highlighted, the move was not bullish impulse, resulting in the futures entering a corrective phase. Price is below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 16,570 will leave the futures vulnerable to further tests to the downside. Likewise, downside moves that hold at or above USD 15,723 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 14,975 is the technical bearish.
- Technically bullish with the futures holding above the USD 15,723 support. We now look to be in wave C of a counter-trend corrective wave 4, suggesting the USD 15,723 support could be tested and broken in the near-term. Intraday Elliott wave analysis would suggest upside moves should be considered as countertrend at this point, whilst the MA on the RSI would imply that momentum remains weak. Like the May contract, we look to be in Elliott wave 3 of Wave C of a corrective wave 4.



Supramax Cal 24



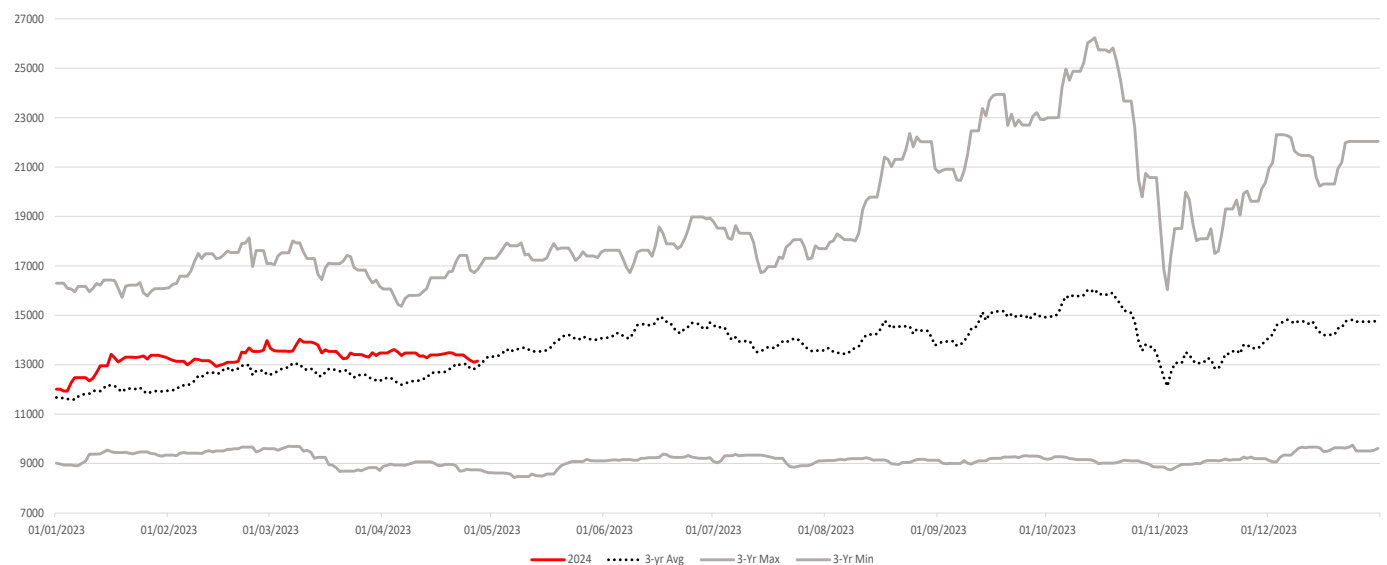
Support	Resistance	Current Price	Bull	Bear
S1	R1	13,100	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Technically neutral last week with price consolidating around flat moving averages, meaning we lacked directional bias. The futures have broken to the downside with price now below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 13,388 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Only above USD 13,575 is technical bullish.
- Technically bearish with support levels looking vulnerable, upside moves should be considered as countertrend at this point based on intraday analysis, making USD 13,388 the key resistance to follow in the near-term.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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