



# Supramax Technical Report

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## Index

We remain technically bearish, but price is now in divergence with the RSI whilst momentum based on price is turning to the buy-side, this would suggest that USD 8,369 resistance is now vulnerable. Due to the divergence in play the index is not considered a technical sell at this point.

## Sep 23

Technically bearish with the neutral bias due to price moving higher on the back of a positive divergence and the roll into the September contract. We have more of a neutral bias as price is supported by a positive divergence in what looks to have been a completed Elliott wave cycle. However, above USD 10,400 the futures will be in divergence on the intraday technical, warning we have the potential to see a momentum slowdown. We also have a USD 2,500 carry over the index, implying upside moves could be limited unless we see a momentum push on the index.

## Q4

Technically bearish on the last report, in theory the Elliott wave cycle suggested we should trade below the USD 9,875 fractal low having rejected a key resistance. We were on a bearish wave 5 with the minimum requirement for cycle completion already achieved (we looked to be on a wave 5 of a wave 5). The futures traded to a low of USD 10,200 before finding buy-side support, if we trade above USD 11,450 then it will warn that the USD 11,607 level could be tested and broken. If it is, then the pullback will be considered as deep, meaning the probability of the futures trading to a new low will have decreased. This in turn would mean the final wave within the Elliott cycle will have failed.

## Cal 24

Like the Panamax yesterday, we have a very similar footprint between the Q4 and Cal. We have failed to make a new low with price moving higher, above USD 11,145 the probability of seeing a new low and cycle completion will have decreased.

# Supramax Index



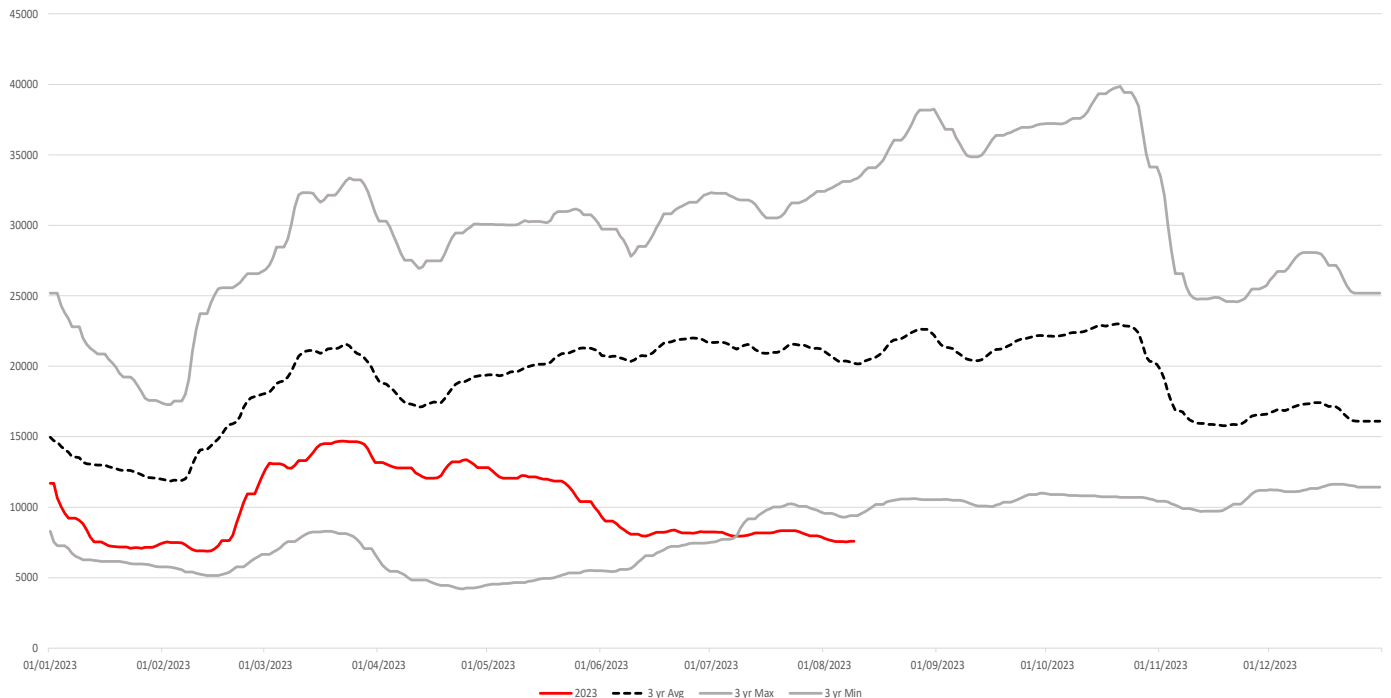
	Support	Resistance	Current Price	Bull	Bear
S1	7,296	R1	8,369	Stochastic oversold	RSI below 50
S2	6,874	R2	11,402		
S3	5,288	R3	13,378		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (27)
- Stochastic is oversold
- Technically unchanged on the last report, we remained in consolidation with the potential to produce a positive divergence on a downside breakout. We have seen a small move lower in the index, resulting in a positive divergence, we remain below all key moving averages with the RSI below 50.
- Momentum based on price is aligned to the buy side, a close below USD 7,594 will mean it is aligned to the sell side. Upside moves that fail at or below USD 11,402 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish. The index is now in divergence, not a buy signal it is a warning we have the potential to see a momentum slowdown, the index is not considered a technical sell at this point. With momentum based on price now aligned to the buy side, alongside the divergence, it is warning that the USD 8,369 resistance is now vulnerable.

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



# Supramax Sep 23



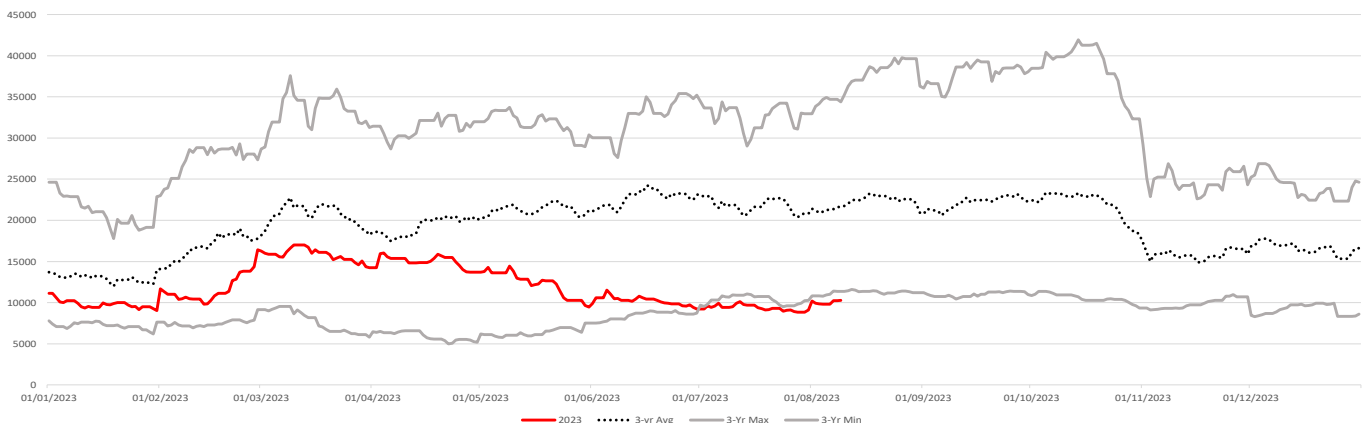
	Support	Resistance	Current Price	Bull	Bear
S1	9,750	R1	10,150	RSI above 50	Stochastic overbought
S2	9,311	R2			
S3	9,175	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Technically bullish with a neutral bias on the last report, we maintained our view based on our Elliott wave analysis that the futures were not considered a technical sell. Downside moves below USD 9,000 would create a second positive divergence, not a buy signal it warned that we have the potential to see a momentum slowdown, suggesting caution on downside breakouts. The futures traded to a low of USD 8,750 before rolling into the September contract, resulting in price gapping higher. We remain bearish but with a neutral bias, price is above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 9,311 will support a near-term bull argument, below this level the USD 8,750 low is vulnerable.
- Bearish with a neutral bias, the futures are finding bid support on the back of a positive divergence. However, the futures are around USD 2,500 above the index which has only just turned to the buyside, suggesting upside moves could be limited at this point. The intraday technical also has the potential to create a negative divergence with the RSI above USD 10,400, suggesting caution on upside breakouts at this point.

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



# Supramax Q4 23

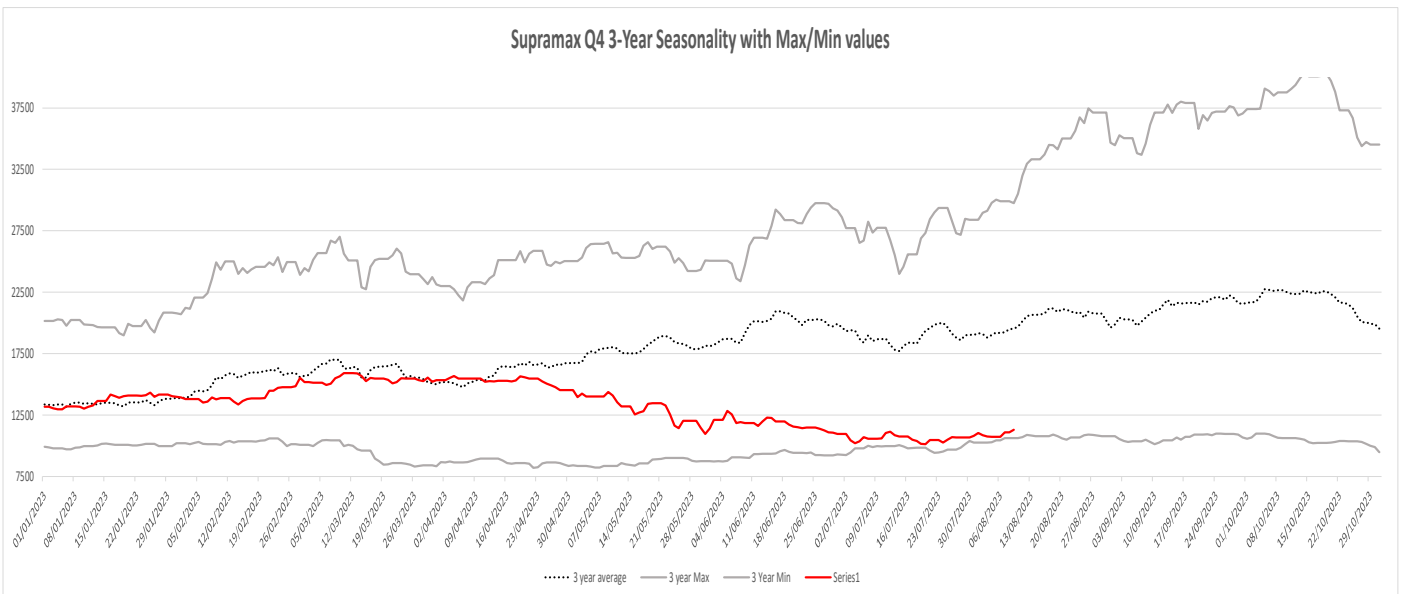


Support		Resistance		Current Price	Bull	Bear
S1	10,508	R1	11,450	11,175		Stochastic overbought
S2	10,100	R2	11,607			
S3	9,875	R3	11,938			

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is overbought
- Technically bearish on the previous report, our Elliott wave analysis suggested that in theory we should trade below the USD 9,875 fractal low. Below this level the futures will be in divergence with the RSI, not a buy signal it would warn that we had the potential to see a momentum slowdown on a new low, suggesting caution on downside breakouts. Upside moves above USD 11,607 will warn that we have potentially seen early termination of the Elliott wave cycle. The futures traded to a low of USD 10,100 before moving higher, meaning we have failed to make a new low at this point. Price is above the 8-21 period EMA's with the RSI neutral at 50.
- Upside moves that fail at or below USD 11,607 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Having previously rejected the USD 11,607 resistance the futures failed to make a new low, warning resistance levels are now vulnerable. A move above the USD 11,450 fractal resistance would suggest the USD 11,607 level could be tested and broken. If it is, then the pullback would be considered as deep meaning the probability of the futures trading to a new low will have decreased, warning the bearish Elliott wave cycle is potentially failing.



# Supramax Cal 24



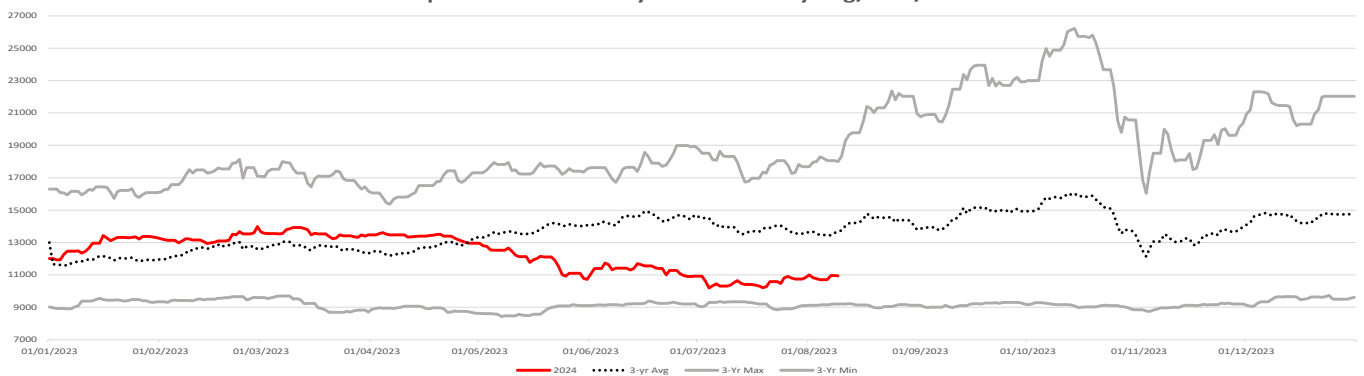
Support	Resistance	Current Price	Bull	Bear
S1	R1	11,025	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is overbought
- Technically bearish previously, in theory our Elliott wave analysis would suggest that upside moves should be considered as countertrend, with the USD 9,825 fractal low remaining vulnerable. If we did trade above USD 11,145 then we will have a more cautious approach, as a deep pullback would suggest that the probability of the futures trading to a new low will have decreased. The futures have failed to make a new low with price moving higher. We remain below the USD 11,145 resistance but above the 8-21 period EMA's with the RSI above 50.
- Upside moves that fail at or below USD 11,145 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. (Unchanged)
- Technically we remain bearish; however, the futures are now approaching key resistance with the MA on the RSI implying momentum is supported at this point. If we trade above the USD 11,145 resistance, then the deep pullback will warn that the bearish wave cycle has a higher probability of failure. We should note that the failure would be on the wave 5 of the wave 5 for both the Q4 and Cal, meaning the minimum requirement for phase/cycle completion had already been achieved.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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