



Supramax Technical Report

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Index

We have noted over the last few reports that 95 is a key resistance for the RSI. Having reached a high of USD 93.80 the index has entered a corrective phase with momentum based on price now aligned to the sell side. However, when we look at the historical price action on the RSI, we can see that to attain this level the index has previously been bullish impulse. This would suggest that the technical pullback we are now seeing has the potential to be countertrend.

October 23

The futures continue to come under pressure having entered a corrective phase last week. If our intraday Elliott wave analysis is correct, then this move lower looks to be a countertrend wave 4 of an extended wave 5, making USD 12,605 the key support to follow. If broken the pullback will be considered as deep meaning the probability of the futures trading to a new high will decrease. It will be interesting to see where the futures are trading next, as the roll into November will put price on, or potentially below the key support level if we drop much further. This is a concern, as it will bring into question the bullish Elliott wave cycle. Mixed technicals this week, the futures roll into Nov could be an issue whilst the Cal 24 is not considered a technical buy. We are still corrective and in bull territory across the curve with the pullback on the index looking like it might be countertrend; however, if we move much lower in the futures, we could be looking bullish/neutral next week, meaning we need to see buy-side support soon.

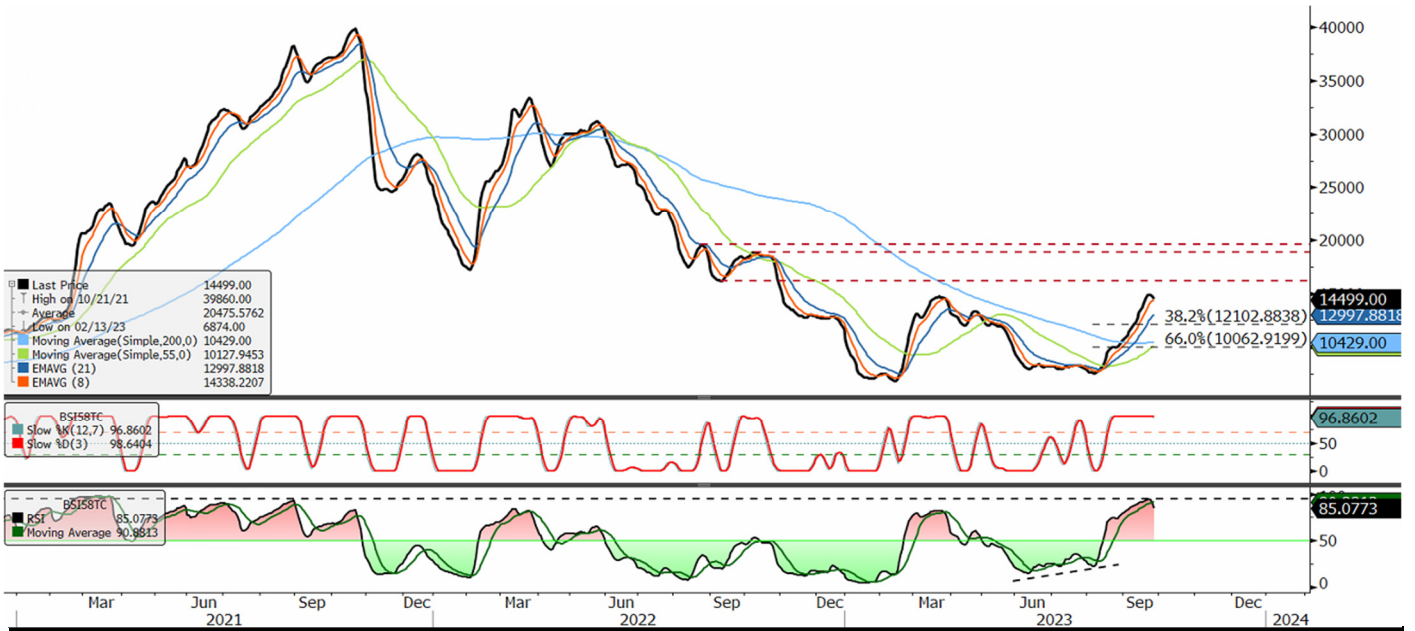
Q4 23

The futures remain technically bullish but in a corrective phase with price trading in the Fibonacci support zone. We have conflicting momentum this week as the MA on the RSI would suggest it is weak; however, the stochastic is oversold whilst the RSI is above 50. If the RSI holds above 50 then momentum would suggest that we could be vulnerable to a move higher; likewise, if broken then the oversold stochastic will be considered as less relevant. Key support to follow is at 12,323, as a move below this level will warn that the probability of the futures trading to a new high will decrease.

Cal 24

Technically bullish, the futures continue to move lower on the back of the negative divergences that we have highlighted over the last few weeks (intraday exhaustion patterns). Key support is at USD 11,032, if broken, then the probability of the futures trading to a new high will decrease. Due to the move lower being on the back of an exhaustion pattern we do not consider the futures to be a technical buy at this point.

Supramax Index



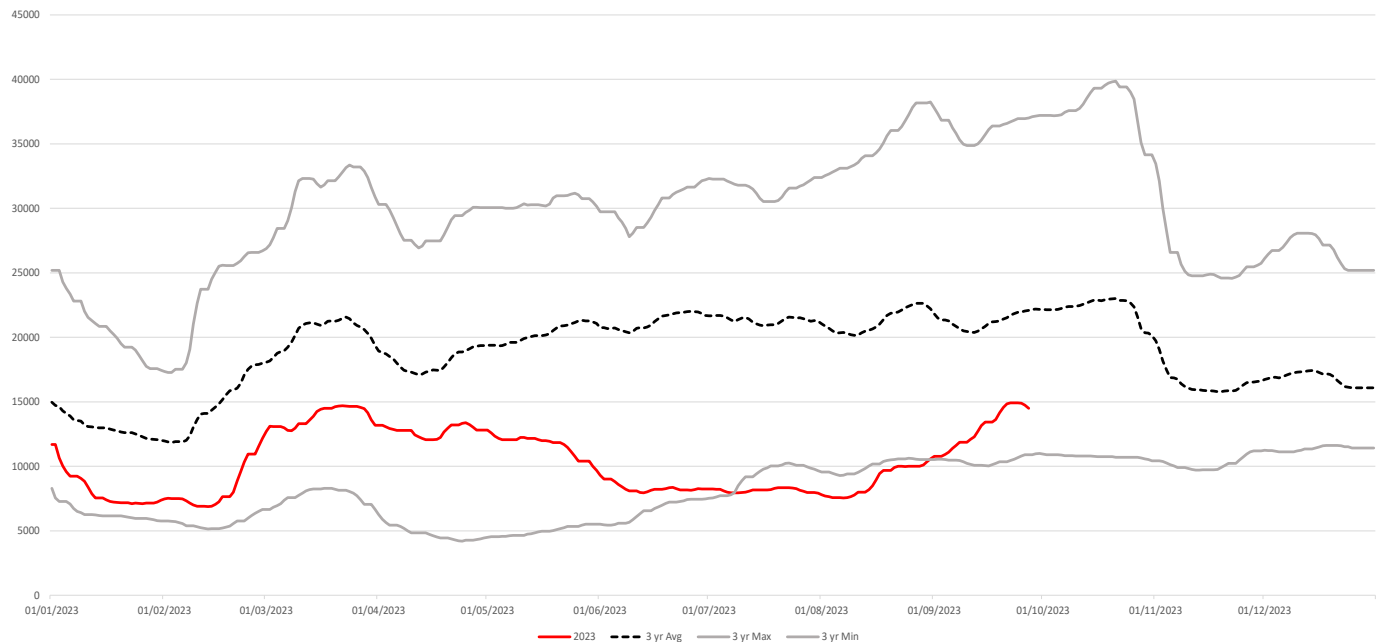
	Support	Resistance	Current Price	Bull	Bear
S1	12,102	R1	14,499	RSI above 50	Stochastic overbought
S2	11,237	R2			
S3	10,062	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (85)
- Stochastic is overbought
- Technically bullish last week, the RSI was approaching our key resistance at 95 (we were at 93.80) warning we were entering an area of resistance, meaning we were a cautious bull. The index moved USD 54 higher before entering a corrective phase. Price is above all key moving averages supported by the RSI above 50.
- Momentum based on price is aligned to the sell side, a close above USD 14,788 will mean it is aligned to the buyside. Downside moves that hold at or above USD 10,062 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the index has entered a corrective phase with key support at USD 10,062. However, the RSI tested the 95 resistance, a level that we would associate with bullish impulse, suggesting that the current move lower has the potential to be countertrend.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax Oct 23



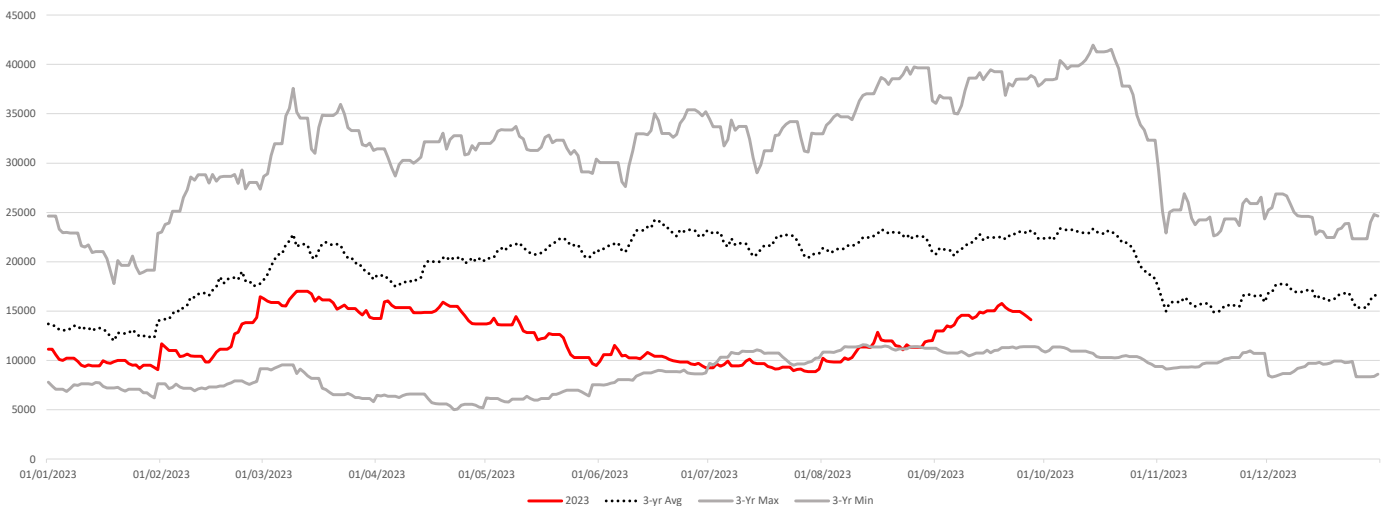
Support	Resistance	Current Price	Bull	Bear
S1	R1	14,100	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is overbought
- Technically bullish last week, the futures looked to be in a corrective phase in what looks to be a countertrend Elliott wave 4 of an extended wave 5, making USD 12,605 the key support to follow. If support was broken, then the pullback will be considered as deep, meaning the probability of the futures trading to a new high would decrease. The futures remain in a corrective phase with price now testing the Fibonacci support zone. Price is trading on the 21-period EMA with the RSI above 50.
- Downside moves that hold at or above USD 12,605 will support a bull argument, below this level the technical will have a neutral bias. Likewise, upside moves that fail at or below USD 15,378 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 16,050 resistance.
- We remain technically bullish but in a corrective phase. We maintain our view that the move lower looks to be a countertrend wave 4, making USD 12,605 the key support to follow. We do however have concerns around the roll next week as the November is trading at a discount to the October.

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



Supramax Q4 23

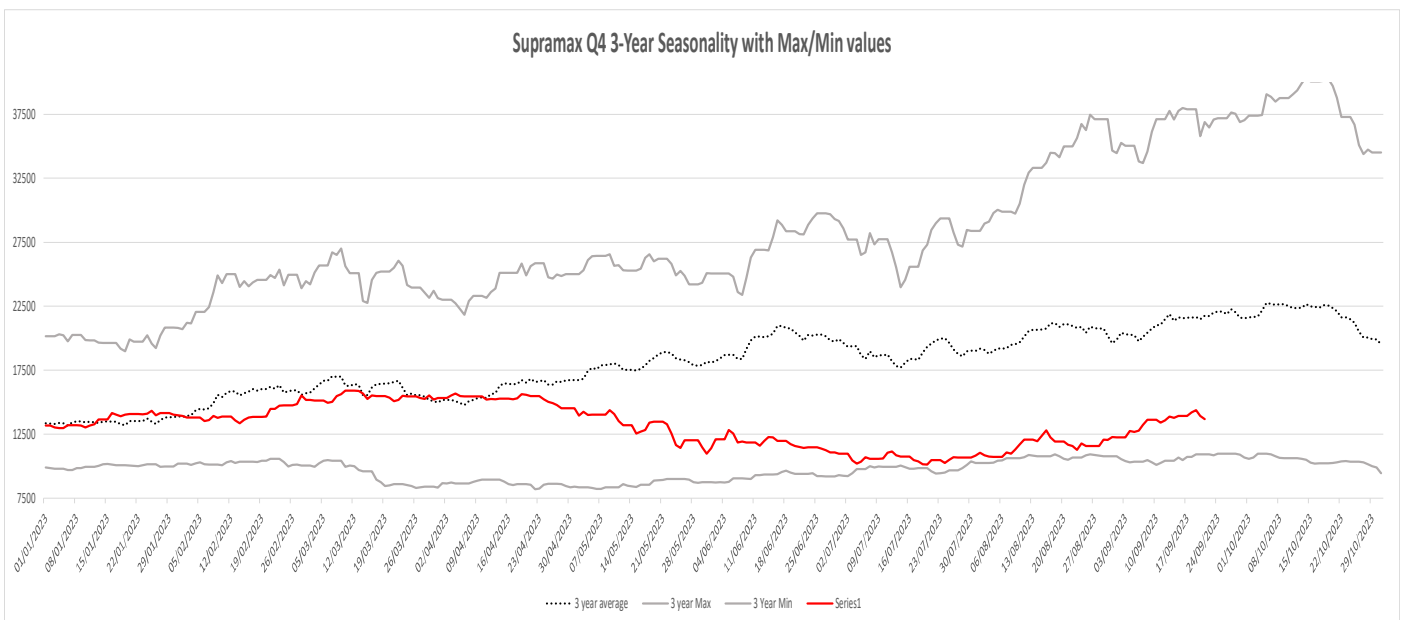


	Support	Resistance	Current Price	Bull	Bear
S1	12,887	R1	14,089	Stochastic oversold	RSI below 50
S2	12,323	R2	14,650		
S3	11,879	R3	14,966		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is oversold
- Technically bullish last week, with no significant pullback until the 20/09, we maintained our view that downside moves should still be considered as countertrend, making USD 12,323 the key support to follow. If broken, the probability of the futures trading to a new high would decrease. The futures remain in a corrective phase with price continuing to move lower. We are now below the 8-21 period EMA's with the RSI below 50.
- Downside moves that hold at or above USD 12,323 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we maintain our view that the current downside move looks to be countertrend, making USD 12,323 the key support to follow. Below this level the probability of the futures trading to a new high will decrease. The MA on the RSI has started to weaken; however, the RSI is above 50 with the stochastic in oversold territory. Providing the RSI can hold above 50 then momentum will be vulnerable to a move higher, below 50 the oversold stochastic becomes less relevant.



Supramax Cal 24



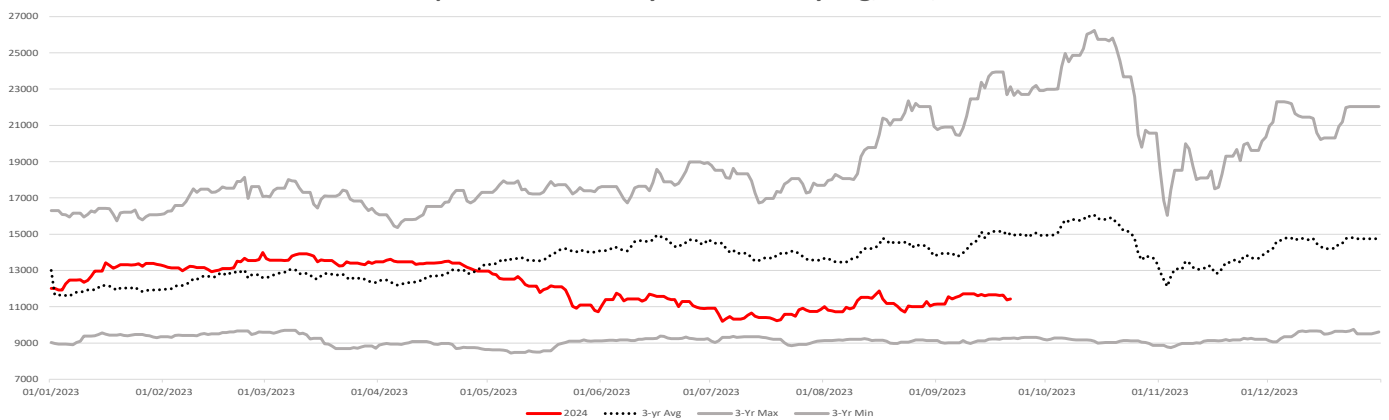
Support	Resistance	Current Price	Bull	Bear
S1	R1	11,262.5		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (48)
- Stochastic is below 50
- Technically bullish on the last report, we remained cautious on upside moves due to the exhaustion signals on the intraday technical. If we did trade above USD 11,750 it would suggest we are seeing wave extension, warning that the USD 11,900 fractal high could be tested and broken. The futures continue to move lower with price below the 8-21 period EMA's supported by the RSI below 50.
- Downside moves that hold at or above USD 11,032 will support a bull argument, below this level the USD 10,675 – USD 10,650 support zone will be vulnerable.
- The futures are moving lower on the intraday divergences that we have highlighted over the last few weeks. Technically we remain bullish with key support to follow at USD 11,032. If broken, the probability of the futures trading to a new high will decrease. Due to the downside moves on the back of the intraday exhaustion pattern we do not consider the futures a technical buy at this point.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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