



Supramax Technical Report

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Index

Technically bullish last week, we were in divergence but had an A-B = C-D pattern in play that warned we could trade as high as USD 19,427. We traded to a high of USD 17,213 before correcting a little today; however, the futures have sold lower with the Capesize index down USD 11,000 in two days whilst the Panamx is over USD 1,000 lower today, warning we should in theory move lower. We also remain in divergence, implying caution on upside moves.

Jan 24

We had seen some extreme price movement in the last week, both to the upside and in the subsequent correction that followed. The nature of the parabolic trend (curved trend line) in the Jan 24 futures warned us that we could soon enter a corrective phase, this resulted in an aggressive move lower that took the futures into bearish territory, meaning that the intraday Elliott wave cycle has failed. The MA on the RSI is weak on the intraday and moving lower on the daily technical, warning that resistance levels should hold if tested. Although the pullback is deep, implying we could be oversold, we can see that this is a mean reversion back to the 55 and 200 period MA's, implying we have potential found value.

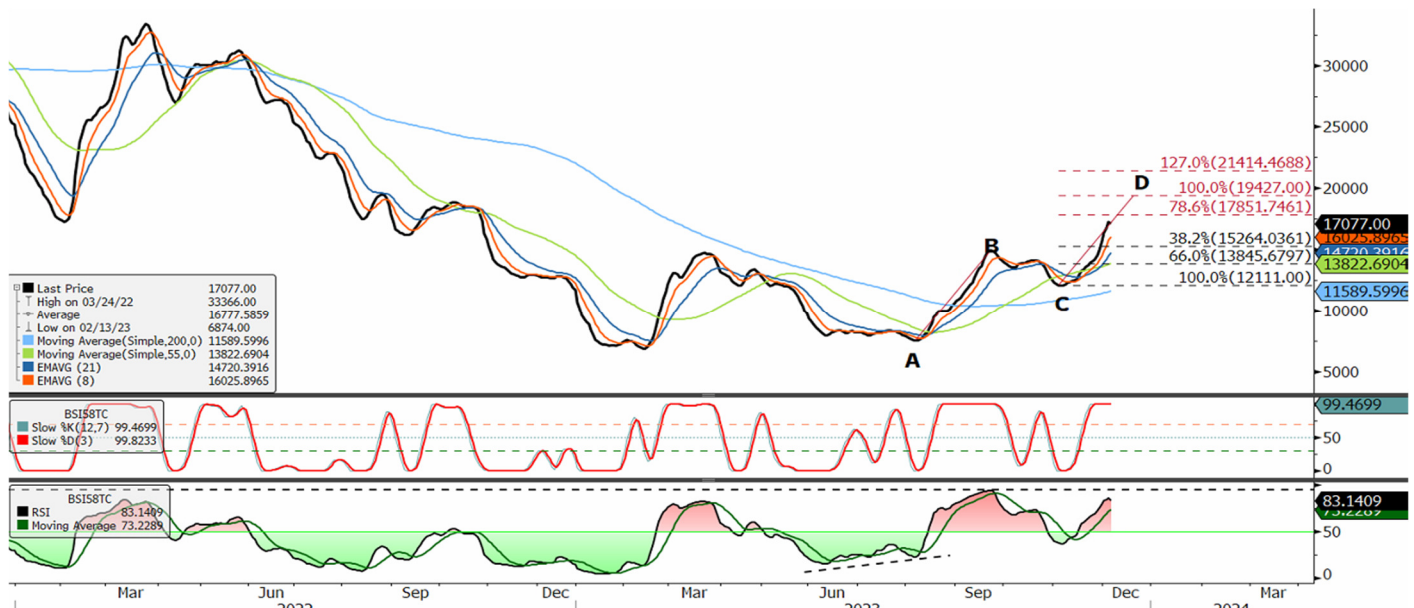
Q1 24

Bullish last week with a potential to trade above USD 15,125. However, we were unsure whether we had our Fibonacci projection levels and subsequent support in the right place. The futures traded to a high of USD 15,150 before entering a corrective phase, meaning we did. However, we were only half right, as the subsequent pullback has been deep, implying that the probability of the futures trading to a new high is decreasing. This would suggest that the Elliott wave cycle will fail at some point; whereas, we had downside moves as countertrend based on this cycle. The intraday MA on the RSI is suggesting momentum is still weak with the RSI making new lows, implying resistance levels should hold if tested, meaning we are now cautious on upside moves.

Cal 24

Like the Q1 24, we had uncertainty surrounding our Fibonacci levels last week. We are again half right on this technical, the Fib levels were in the right place meaning our upside target at USD 13,979 was achieved. However, the subsequent pullback has broken fractal support, meaning the wave cycle has failed and the technical is bearish. Intraday momentum indicators are now weak, whilst the breach in the longer-term support at USD 11,740, means that the probability of the futures trading to a new high is decreasing. For this reason, we are now cautious on upside moves at this point.

Supramax Index



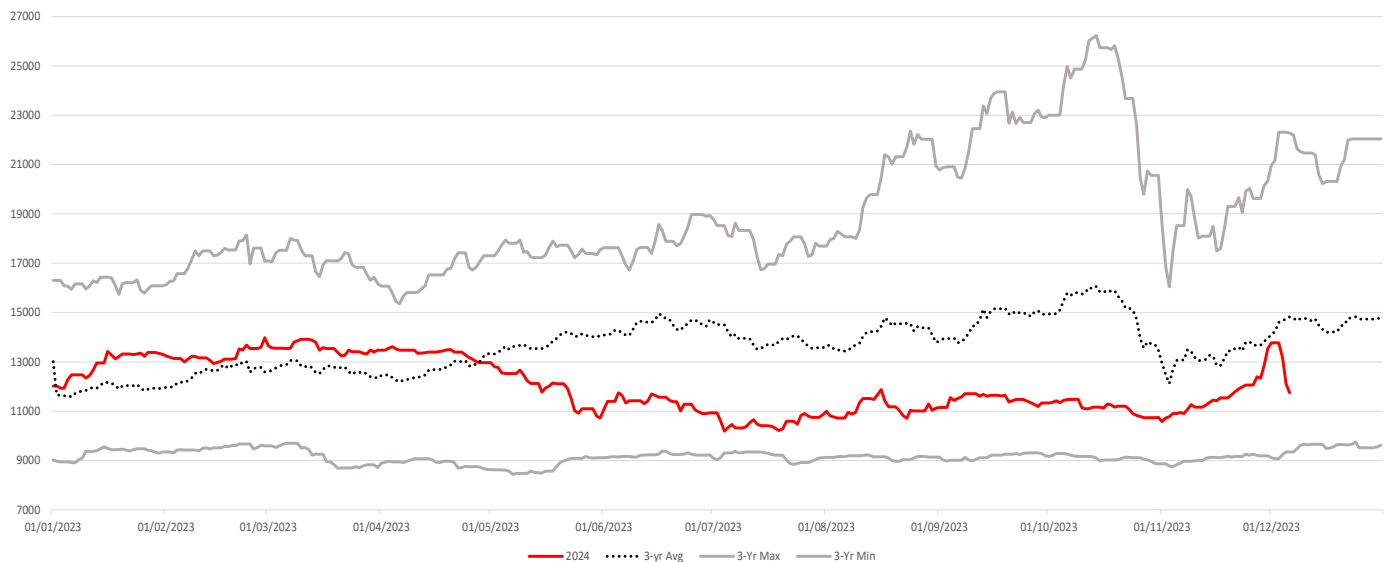
	Support	Resistance	Current Price	Bull	Bear
S1	15,264	R1	17,077	RSI above 50	Stochastic overbought
S2	13,854	R2			
S3	12,111	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (83)
- Stochastic is overbought
- Technically bullish last week, the new high meant that the index was in divergence with the RSI, not a sell signal it warned that we had the potential to see a momentum slowdown. However, the MA on the RSI did indicate that momentum was supported. We also potentially had an A-B = C-D pattern in play, warning we could see the index trade as high as USD 19,427 within this move. The index traded to a high of USD 17,213 before correcting today (06/12/23). We remain above all key moving averages supported by the RSI above 50.
- Momentum based on price is aligned to the buy side, a close below USD 16,438 will mean it is aligned to the sell side. Downside moves that hold at or above USD 13,845 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish with the MA on the RSI implying that momentum is supported. However, the futures have sold off heavily with the Capesize index is down USD 11,000 in two days whilst the Panamax is starting to correct aggressively. This would suggest that we should in theory see the Supramax index enter a corrective phase in the coming days, making USD 13,845 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease.

Supramax Calendar 3-year Seasonality Avg/Max/Min



Supramax Jan 24



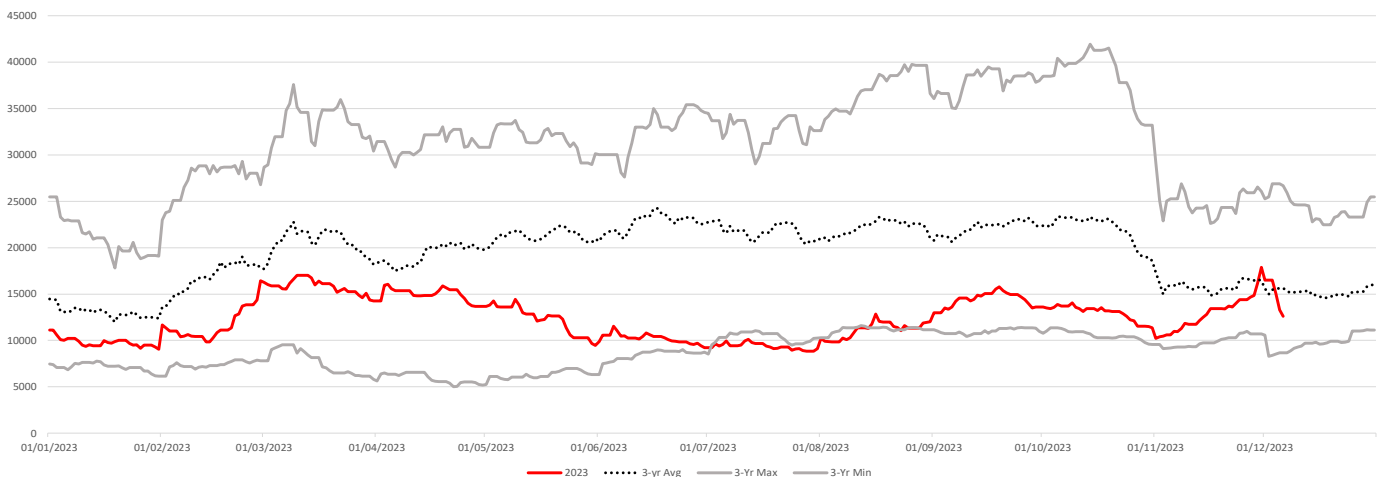
	Support	Resistance	Current Price	Bull	Bear
S1	11,817	R1	12,625		RSI below 50
S2	10,100	R2			
S3	9,750	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is below 50
- Technically bullish, the RSI is making new high whilst the MA on the RSI would suggest that momentum was supported, suggesting downside moves should be considered as countertrend at this point. The intraday Elliott wave cycle also suggests downside moves would be against the trend. We had a note of caution as the trend is starting to look a little parabolic, meaning we could enter a corrective phase soon. The futures were parabolic, resulting in a strong sell off to the downside which broke intraday fractal support, meaning the technical is bearish, we are now below all key moving averages supported by the RSI below 50.
- Upside moves that hold at or below 16,255 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The technical footprint became bearish due to the parabolic nature of trend, as the downside move broke fractal support on the intraday technical. The MA on the RSI is indicating that momentum is weak with the technical now in bearish territory, warning that resistance levels should in theory hold if tested, as the intraday RSI is making new lows. The nature of the move lower is warning the futures could be oversold a little; however, if you look at the chart, the 55 and 200-period EMA's are flat, implying the move was mean reversion, suggesting we may in fact just be finding value.

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



Supramax Q1 24

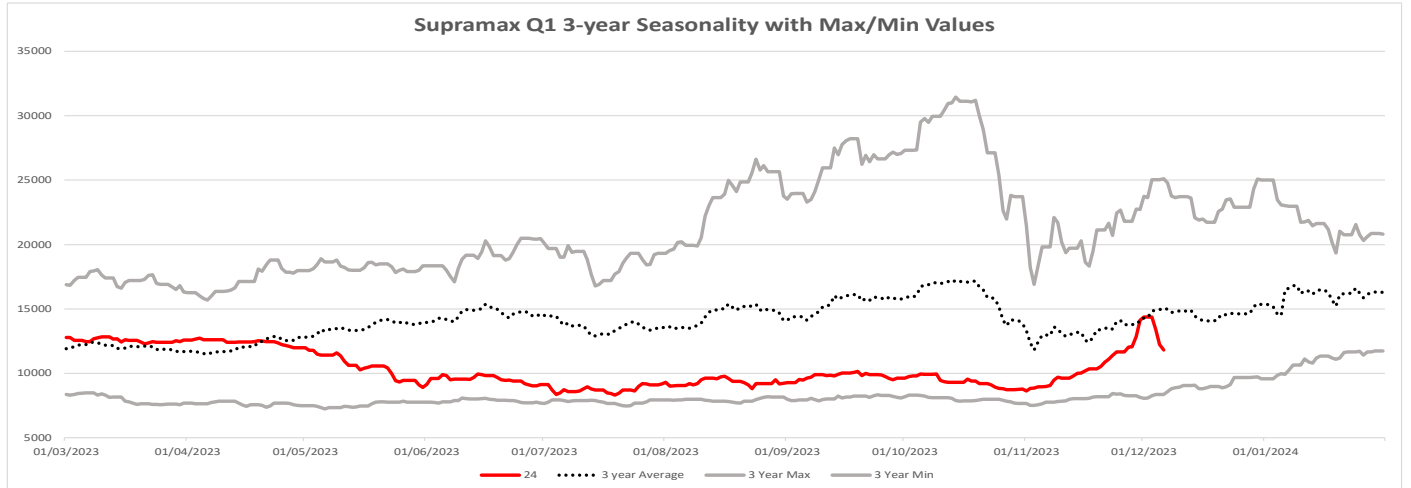


Support		Resistance		Current Price	Bull	Bear
S1	10,810	R1	12,971	11,925	RSI above 50	
S2	9,982	R2	13,387			
S3	8,575	R3	13,951			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is above 50
- Technically bullish last week, the MA continued to imply that momentum is supported, whilst the RSI was making new highs, suggesting downside moves should be considered as countertrend. The Intraday Elliott wave cycle also supported corrective moves lower as being against the trend. We noted that if we had our Fibonacci extension in the right place (the intraday technical was not the cleanest, so there is a level of uncertainty due to the wave 3 extension, it could be a case of the Fibonacci levels are being run too high), then we have the potential to trade above USD 15,125 within this phase of the cycle. If it is in the wrong place, then not only is our upside target for this phase of the cycle too high, so is our key support. The futures traded to a high of USD 15,150 before correcting aggressively, meaning we did have our Fibonacci levels in the correct place. However, this also means that the pullback is deep, meaning the technical has a neutral bias. Price is between the 8-21 period EMA's with the RSI above 50.
- Upside moves that fail at or below USD 13,951 will leave the futures vulnerable to further tests to the downside, above this level the USD 15,150 fractal high could come under pressure.
- Technically we are bullish with a neutral bias, a move below USD 11,500 will mean that the technical is bearish. The depth of the pullback is indicating that the probability of the futures trading to a new high has decreased, whilst the intraday RSI is making new low with momentum considered as weak due to the MA on the RSI, implying upside resistance level should hold if tested. We are trading in the EMA support zone, meaning we could see a small move higher, but the intraday technical means we now have a cautious view on upside moves.



Supramax Cal 24



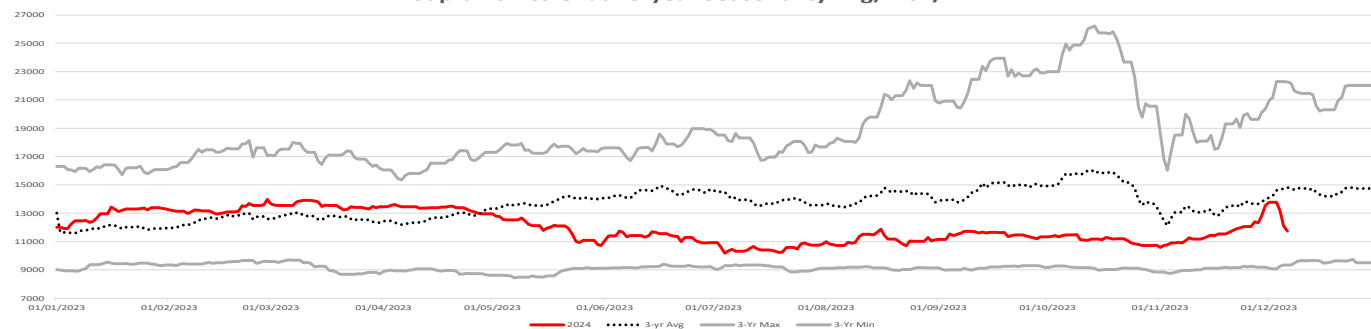
Support	Resistance	Current Price	Bull	Bear
S1	R1	11,925	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Technically bullish last week, the MA on the RSI continued to suggest that momentum was supported with the RSI making new highs, implying downside moves looked to be countertrend. The intraday Elliott wave cycle supports this. We had a potential to trade above USD 13,979 within this phase of the cycle; however, like the Q1, this was dependant on the Fibonacci levels not being too high. Again, if they were, then so was our key support. I apologized at the time for no being clearer on this. The futures traded to a high of USD 14,050, implying our Fibonacci levels were in the correct place; however, this means that the pullback has broken the USD 12,000 fractal support, indicating that the technical is now bearish. Price is below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 13,251 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the intraday RSI is implying momentum is weak whilst the RSI making new lows, warning resistance levels should in theory hold if tested. The breach in the longer-term support at USD 11,740 would suggest that the probability of the futures trading to a new high is decreasing. For this reason, we are cautious on upside moves at this point.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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