



Supramax Technical Report

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Index

Bullish last week, we noted that with the Capesize and Panamx index's moving lower that the Supramax could follow. We have moved lower, but only by USD 1,1100, meaning we remain bullish but in a corrective phase. However, the RSI is in divergence with price, warning we could/are seeing a momentum slowdown, making USD 13,845 the key support to follow. If broken, then the probability of the index trading to a new high will start to decrease. The bullish A-B=C-D pattern is warning that we have the potential to trade as high as USD 19,427. With price in divergence, we have a note of caution as it needs to be monitored.

Jan 24

We noted last week that the technical was bearish with the mean reversion back to the 55 and 200 period EMA's suggesting that we had found value. This has proved to be the case with the futures now consolidating above the 200-period MA but below the intraday 4-hour 200-period average. The MA on the RSI implies momentum is weak with the intraday RSI warning that upside resistance levels could hold if tested. If we do see the intraday technical close above the 200-period average, it will support a near-term bull argument higher.

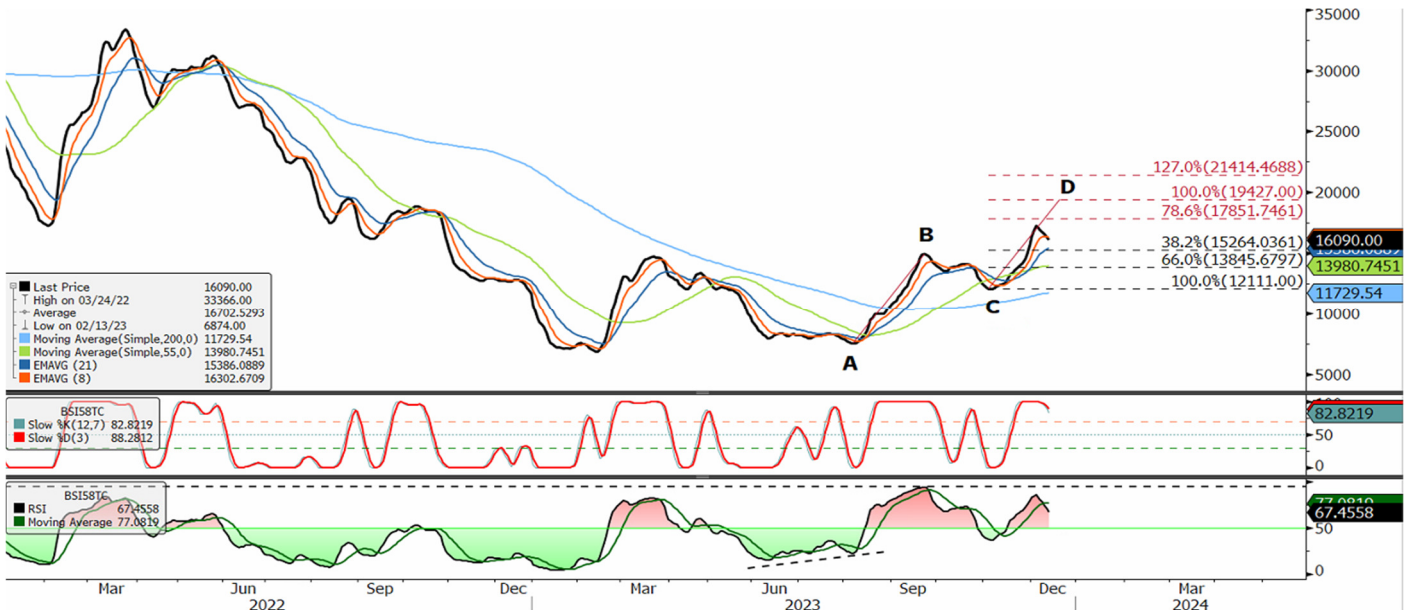
Q2 24

Technically bullish but with a neutral bias due to the depth of the pullback. The MA on the RSI is flat to bearish, warning that the MA could hold the RSI here, whilst the intraday RSI would suggest that upside resistance levels could hold if tested. Corrective moves do have a habit of consisting of 3 waves, at this point we only have two, warning we could see another move lower. Countering this, the RSI is above 50 with the stochastic crossing above 30, whilst seasonality is bullish. It is a conflicting technical, the lack of a third wave down does suggest caution on the current upside move in the near-term.

Cal 24

Bearish last week with momentum warning that resistance level could hold if tested. The futures held above the 200-period MA resulting in price trading into the Fibonacci resistance zone. Momentum is conflicting as the MA on the RSI warns it is weak, but the RSI is above 50 whilst the stochastic is oversold. Like the Q2, this corrective pattern only consists of two waves, warning we could see a move lower in the near-term.

Supramax Index



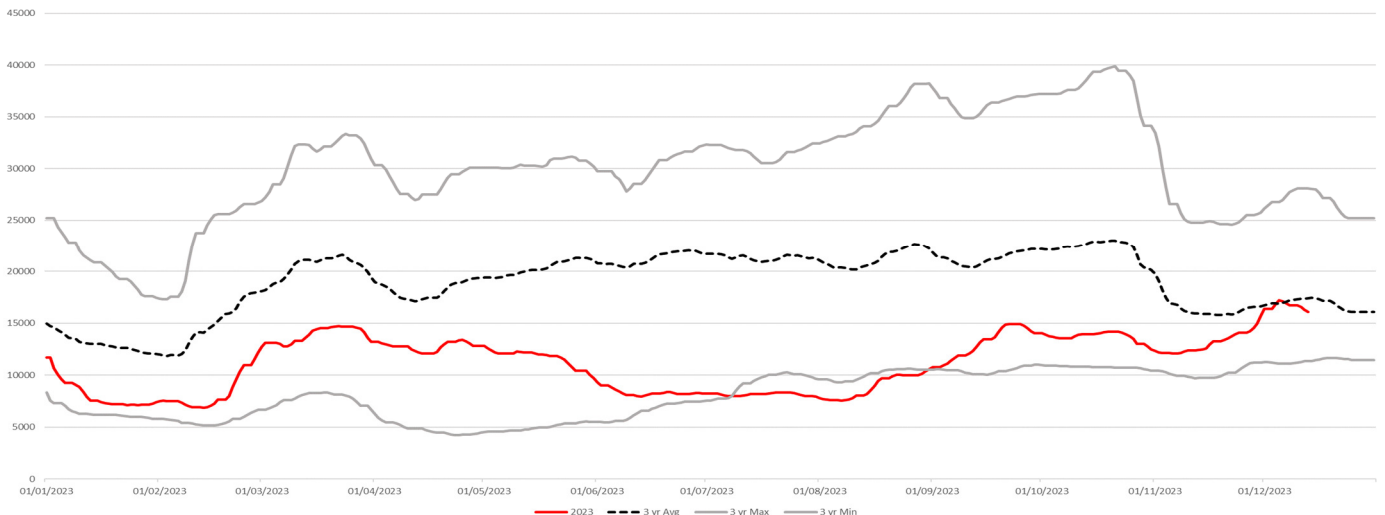
	Support	Resistance	Current Price	Bull	Bear
S1	15,264	R1	16,090	RSI above 50	Stochastic overbought
S2	13,854	R2			
S3	12,111	R3			

Synopsis - Intraday

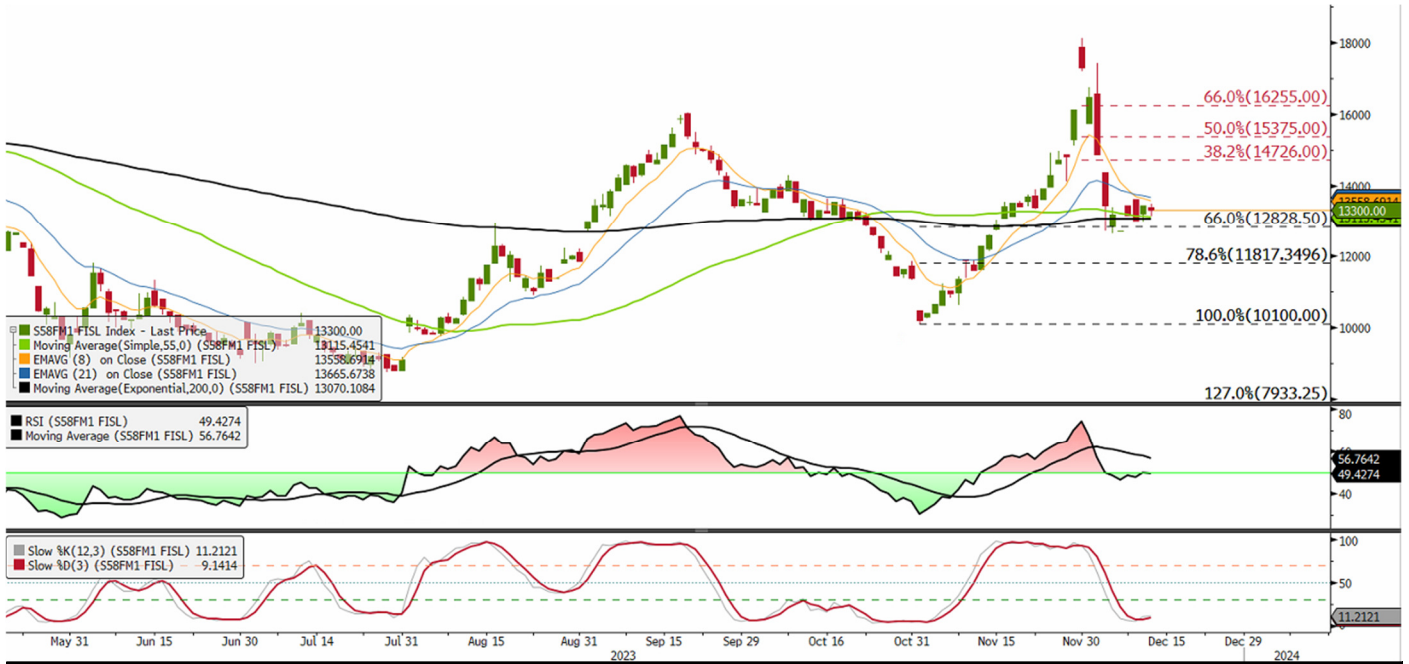
Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (67)
- Stochastic is overbought
- Technically bullish last week with the MA on the RSI implying that momentum was supported. However, the futures had sold off heavily with the Capesize index down USD 11,000 in two days whilst the Panamax was starting to correct aggressively. This suggested 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 would start to decrease. The index has started to correct with price now around USD 1,100 lower. We are between the 8-21 period EMA's with the RSI above 50.
- Momentum based on price is aligned to the sell side, a close above USD 16,602 will mean it is aligned to the buyside. 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, the index is moving lower with price in divergence, which is warning of a momentum slowdown, making USD 13,845 the key support to follow. A move below this level will be considered as deep into the last bull wave, meaning that the probability of the index trading to a new high will start to decrease. If momentum based on price becomes aligned to the buyside, then we could see resistance levels come under pressure. The A-B=C-D pattern is warning that we have the potential to trade as high as USD 19,427; however, the divergence will need to be monitored on upside moves going forward.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax Jan 24



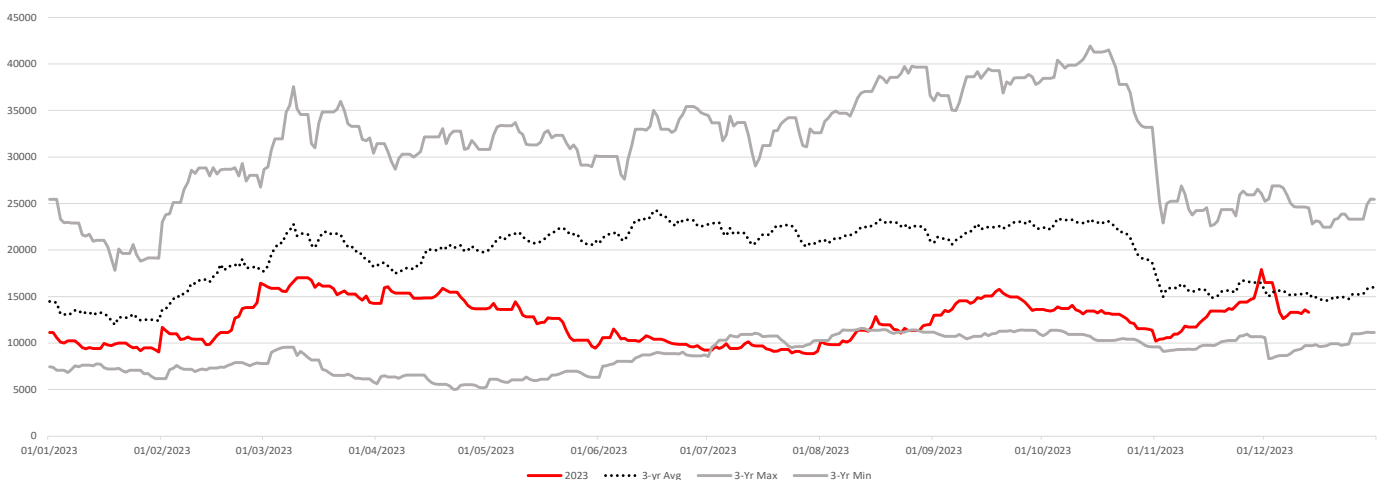
Support		Resistance		Current Price	Bull	Bear
S1	11,817	R1	14,726	13,300	Stochastic oversold	RSI below 50
S2	10,100	R2	15,375			
S3	9,750	R3	16,255			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- The technical footprint became bearish last week due to the parabolic nature of trend, as the downside move broke fractal support on the intraday technical. The MA on the RSI indicated that momentum was weak, warning that resistance levels should in theory hold if tested, as the intraday RSI was making new lows. The nature of the move lower warned that the futures could be oversold a little; however, when we looked at the chart, the 55 and 200-period EMA's were flat, implying the move was mean reversion, suggesting we may have found value. We have found value with the futures now consolidating price is below the 8-21 period EMA's 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.
- Technically bearish, having found value on the mean reversion, the futures are holding above the 200-period MA, which is acting as support. However, the reason for the consolidation is because the futures are finding resistance on the intraday 4-hour 200-period EMA. The MA on the RSI continues to warn of momentum weakness, whilst the intraday RSI has previously broken support to make a new low, warning that upside resistance levels could hold if tested.

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



Supramax Q2 24

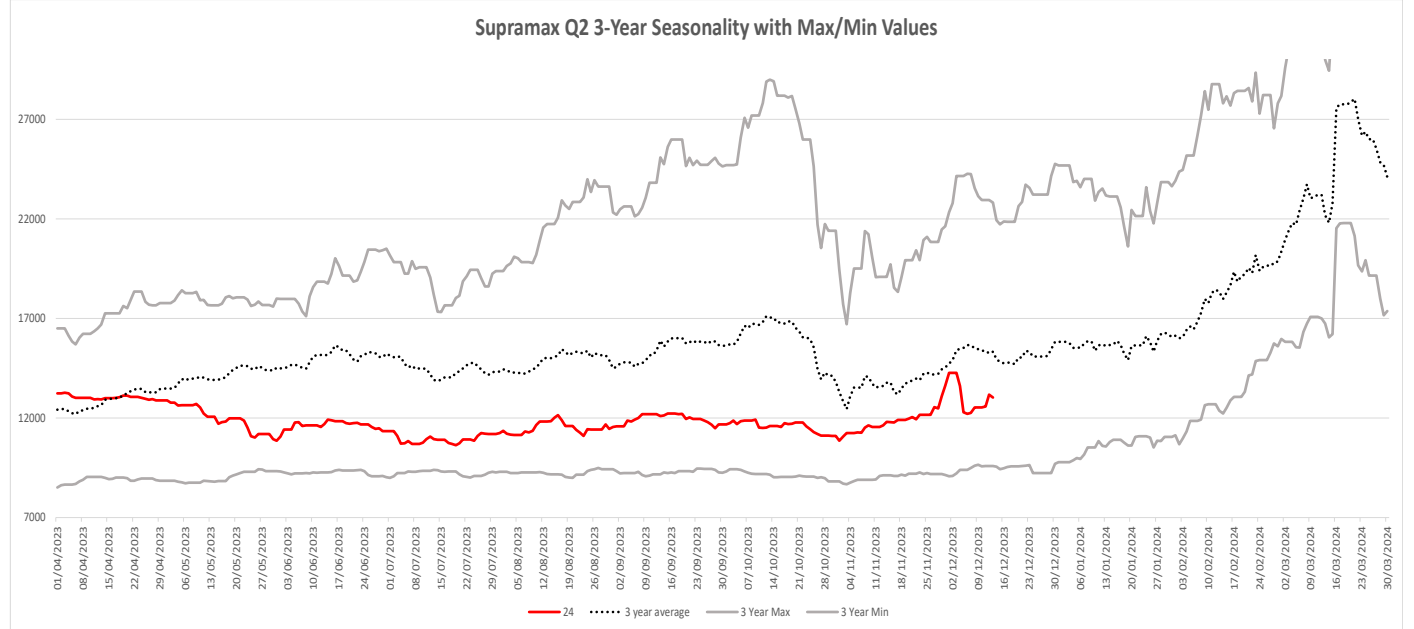


	Support	Resistance	Current Price	Bull	Bear
S1	12,185	R1	13,150	RSI above 50	
S2	11,672	R2			
S3	10,800	R3			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is below 50
- Q2—the depth of the downside move means that the technical although bullish, now has a neutral bias. Price is above all key moving averages supported by the RSI above 50.
- Upside moves that fail at or below USD 13,812 will leave the futures vulnerable to further tests to the downside, above this level will warn that the USD 14,875 fractal high could come under pressure.
- Technically bullish with a neutral bias, the MA on the RSI is flat to bearish, warning it could act as resistance. The downside move resulted in the intraday RSI breaking support to trade at new lows, this is warning that intraday momentum is weak, implying that resistance levels should hold if tested. If we do see a move above USD 13,812 then the probability of the futures trading back to a new low will start to decrease. We also note that there are only two waves in the current corrective phase, one down and one up, warning we should in theory see another move to the downside, as corrective patterns often consist of three waves.. Countering this is the 3-year seasonality chart which is neutral to bullish for this time of year.



Supramax Cal 24



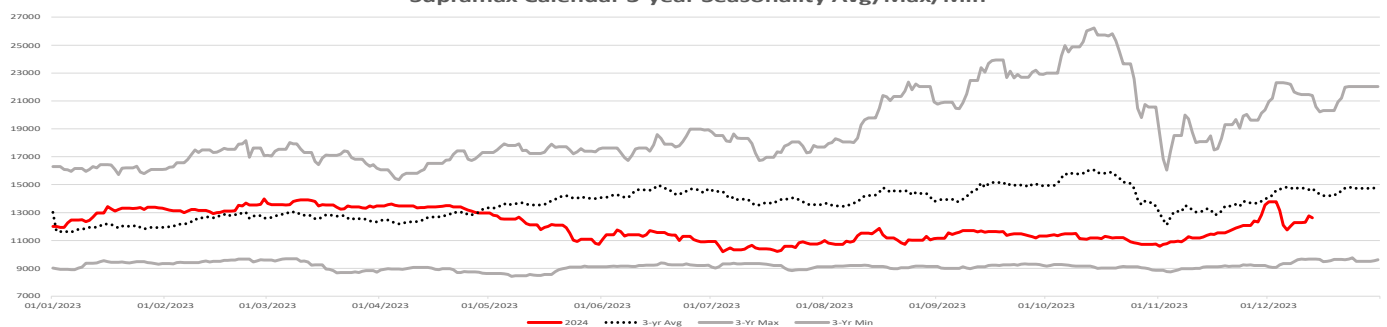
Support	Resistance	Current Price	Bull	Bear
S1	R1	12,825	RSI above 50	
11,740	12,875			
S2	R2			
11,299	13,251			
S3	R3			
10,550	13,547			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (60)
- Stochastic is oversold
- Technically bearish last week, the MA on the intraday RSI implied that momentum was weak whilst the RSI was making new lows, warning resistance levels should in theory hold if tested. The breach in the longer-term support at USD 11,740 suggested that the probability of the futures trading to a new high was decreasing. For this reason, we were cautious on upside moves. the futures closed above the 200-period MA resulting in price now trading in the Fibonacci resistance zone. Price is above all key moving averages with the RSI is above 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 will warn that the USD 14,050 fractal high could come under pressure.
- Technically bullish but with a neutral bias, momentum is now conflicting as the MA on the RSI is implying momentum is weak; however, the RSI is above 50 with the stochastic in oversold territory, warning we could see a move higher. Like the Q2, we note that the current corrective pattern consists of only 2 waves, rather than 3, suggesting upside move has the potential to be countertrend. A close on the daily candle below USD 12,569 will warn that momentum based on price is starting to weaken, meaning we could see another move lower.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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