



# Supramax Technical Report

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## Index

We remain bullish with a neutral bias; the depth of the pullback is warning that the probability of the index trading to a new high is decreasing. Momentum (RSI on MA) and seasonality are warning that we could move lower, implying that the USD 12,111 fractal support could be tested and broken. If momentum based on price becomes aligned to the buy-side, it will suggest that momentum is starting to turn positive. If this is followed by a close above USD 13,511 with the RSI moving above its MA, then we could see resistance levels coming under pressure.

## Feb 24

Technically bearish with momentum indicators remaining weak, whilst the intraday Elliott wave cycle is warning that upside moves could be countertrend in the near-term. We have highlighted on the technical that index seasonality is warning we could move lower, but the rolling front month contract is now testing 3-year lows, suggesting the downside move is starting to look overextended in the short term. Based on this, we are cautious on downside moves from here at these levels.

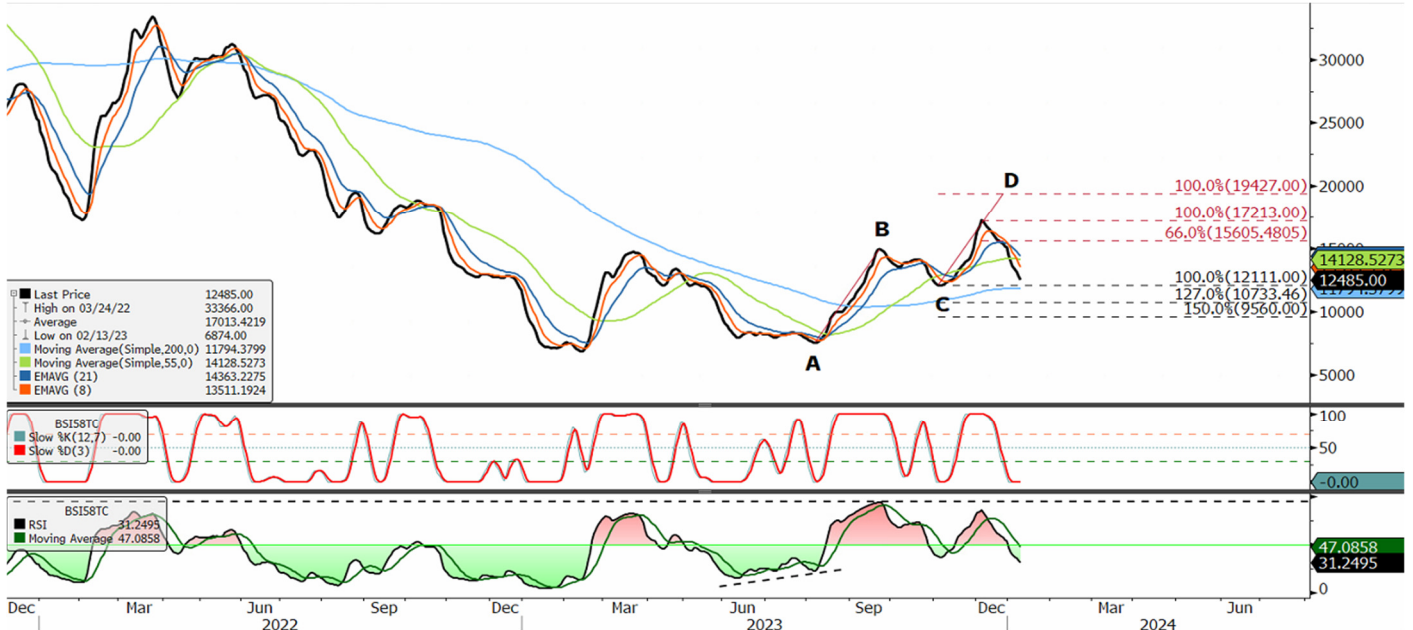
## Q2 24

Technically bearish, the RSI continues to make new lows whilst the MA on the RSI is warning of momentum weakness, suggesting upside moves still have the potential to be countertrend. The RSI is above 50 with the stochastic in oversold territory, if the RSI holds above 50, then we could see a move higher in the near-term, making USD 14,243 the key resistance to follow. If broken, then the probability of the futures trading to a new high will start to decrease. If the RSI moves back below 50, the stochastic will start to become less relevant.

## Cal 25

Technically bullish, the RSI continues to make new lows whilst the MA on the RSI is warning of momentum weakness, suggesting upside moves could struggle to hold in the near-term. The big question is, are waves 1 and 3 related to a larger, bullish Elliott wave cycle? If they are, then downside moves over the longer-term should in theory be countertrend, making USD 11,213 the key support to follow. If this level is broken, then the probability of the futures trading to a new high will start to decrease, implying there is an increased chance that they are actually two separate cycles. At the moment, we still think that they are related, and there is a larger bull cycle in play.

# Supramax Index



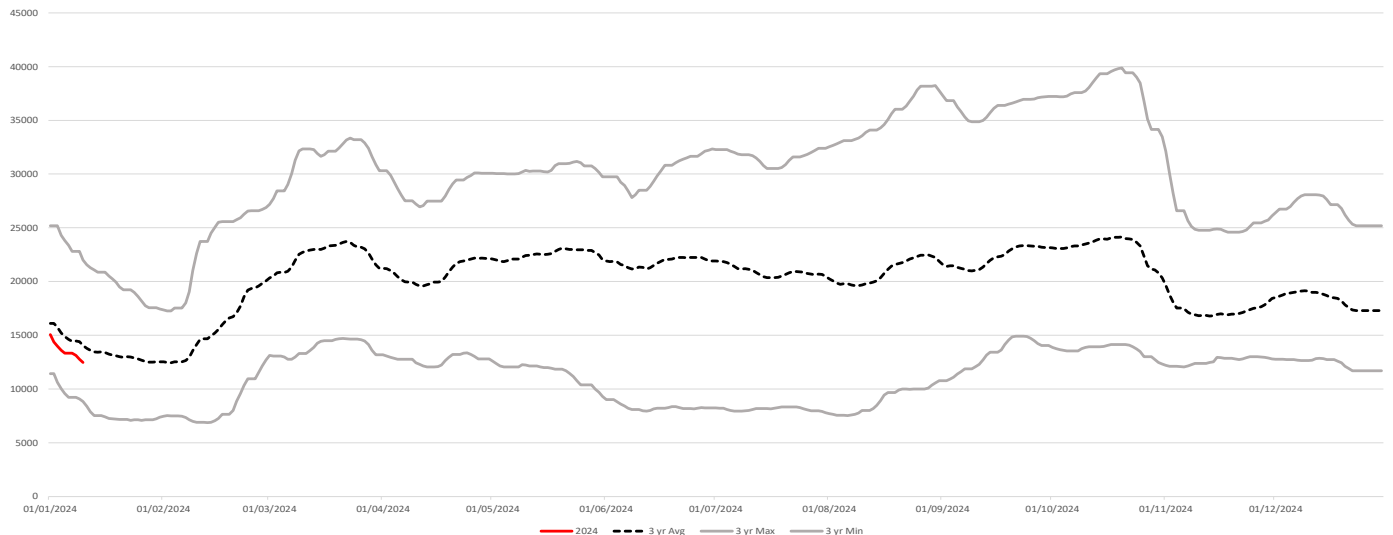
	Support	Resistance	Current Price	Bull	Bear
S1	12,111	R1	15,605	Stochastic oversold	RSI below 50
S2	10,733	R2	17,213		
S3	9,560	R3	19,427		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Technically bullish last week, the depth of the pullback meant that we had a neutral bias, meaning the probability of the index trading to a new high had started to decrease. The MA on the RSI continues to warn of momentum weakness, implying that the USD 12,111 fractal low was vulnerable. Below this level the technical would be bearish, making it the key support level to follow. A close above USD 15,696 would warn that sell side momentum has slowed, leaving the index vulnerable to a move higher. We continue to move lower on the weak momentum indicators with price now approaching the USD 12,111 support. We remain below the 8-21 period EMA's with the RSI below 50.
- Momentum based on price is aligned to the sell side, a close above USD 13,285 will mean it is aligned to the buy side. Upside moves that fail at or below USD 16,605 will leave the index vulnerable to further tests to the downside, above this level the USD 17,213 fractal resistance could come under pressure.
- Bullish with a neutral bias, the depth of the pullback implies that the probability of the index trading to a new high is decreasing. The MA on the RSI continues to warn that momentum is weakened with seasonality warning we could have further downside, meaning the USD 12,111 fractal support could be tested and broken. If momentum based on price becomes aligned to the buy side, it will indicate that sentiment is starting to turn positive. If this is followed by a close above USD 13,511 alongside the RSI moving above its average, then resistance levels will start to look vulnerable.

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



# Supramax Feb 24



	Support	Resistance	Current Price	Bull	Bear
S1	9,639	R1	11,977	Stochastic oversold	RSI below 50
S2	8,275	R2	12,487		
S3	6,553	R3	13,179		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (37)
- Stochastic is oversold
- Technically bearish on the previous report, the MA on the RSI implied that momentum remained weak, whilst the intraday Elliott wave cycle warned that upside moves should be considered as countertrend in the near-term. However, we highlighted that we are seeing a three-wave corrective pattern lower (A-B-C) which often appear before bullish moves, implying a note of caution was needed. The futures have traded to new lows with price still below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below 13,179 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 RSI continues to warn of momentum weakness whilst our intraday Elliott wave cycle is suggesting that upside moves have the potential to be countertrend. However, if we look at the index 3-year seasonality, the index has potentially further downside, but the rolling front contract is already testing seasonality lows. This suggests that price is starting to look a little overextended to the downside in the near-term, meaning we have a cautious view at these levels.

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



# Supramax Q2 24

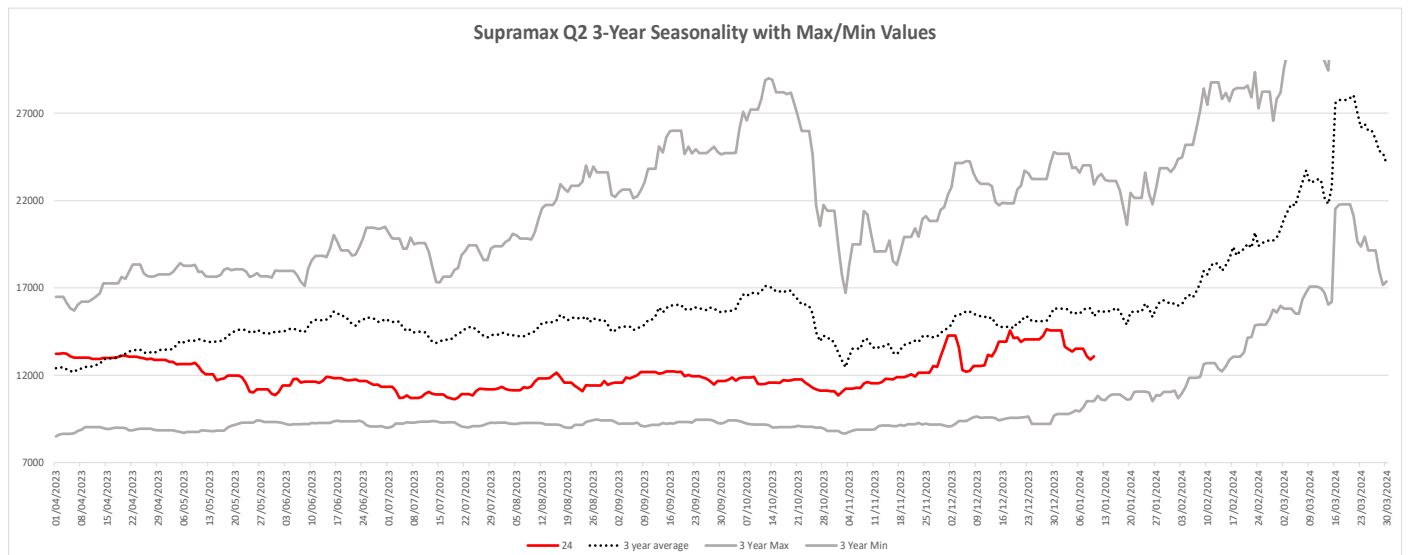


	Support	Resistance	Current Price	Bull	Bear
S1	12,900	R1	13,475	RSI above 50	
S2	12,228	R2			
S3	11,698	R3			

Source Bloomberg

## Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is oversold
- Technically bearish previously, the break in fractal support was being replicated by the RSI, confirming momentum weakness. This suggested that upside moves had the potential to be countertrend, making USD 14,354 the key resistance to follow. If broken, then the probability of the futures trading to a new low would start to decrease. The futures traded to a low of USD 12,775 before finding bid support in the last two sessions. We remain below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 14,243 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 12,228 would indicate that there could be a larger, bullish Elliott wave cycle in play.
- We remain technically bearish with the MA on the RSI warning that momentum remains weak at this point. The RSI has made new lows alongside price, suggesting upside moves have the potential to be countertrend, making USD 14,243 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. The RSI is now above 50 with the stochastic in oversold territory, if the RSI can hold above 50, then momentum is warning that we have the potential to see a move higher in the near-term. If it fails to hold above 50, then the stochastic is considered as less relevant.



# Supramax Cal 25



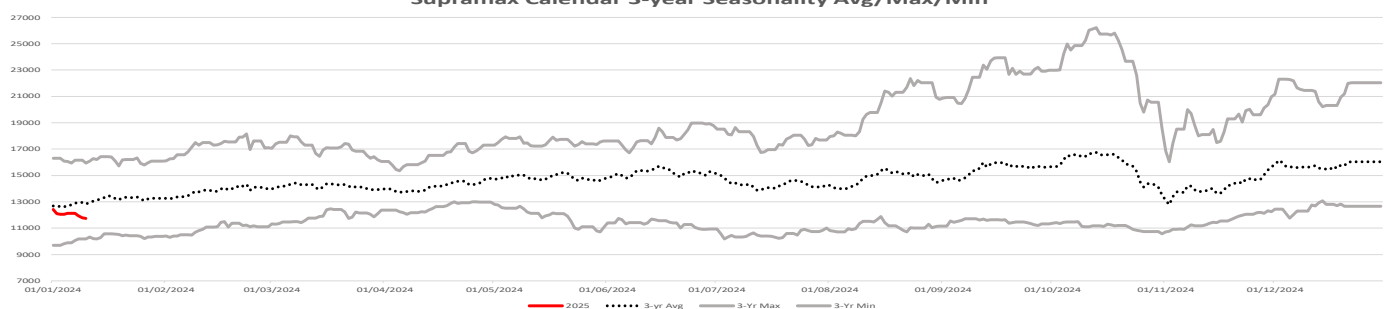
	Support	Resistance	Current Price	Bull	Bear
S1	11,537	R1	12,812	RSI above 50	
S2	11,213	R2	12,461		
S3	10,958	R3	12,812		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (50)
- Stochastic is oversold
- Technically bullish but in a corrective phase last week, the futures were moving lower in the back of a negative divergence with the RSI. The downside move had resulted in the RSI breaking support, warning of momentum weakness, meaning upside moves could fail to hold in the near-term. However, there did look to be a larger bullish Elliott wave cycle in play, with the move that started in October looking like an extended wave 3. If this was correct, then downside moves (over the longer-term) had the potential to be countertrend, making USD 11,213 the key support to follow. Having traded to a high of USD 12,275 the futures continued to move lower; we remain below the 8-21 period EMA's with the RSI below 50.
- Downside moves that hold at or above USD 11,213 will support a bull argument, below this level the technical will have a neutral bias, warning that the probability of the futures trading to a new high has started to decrease. Likewise, upside moves that fail at or below USD 12,145 will leave the futures vulnerable to further tests to the downside, above this level the USD 12,375 fractal resistance could be tested and broken.
- Technically bullish the futures remain in a corrective phase with the MA on the RSI warning that momentum is weakening, whilst the RSI is making new lows. This would suggest that upside moves could still struggle to hold in the near-term. Like last week, we think that waves 1 and 3 could be related, suggesting that there is potentially a larger bull Elliott wave cycle in play, meaning downside moves should be considered as countertrend from a longer-term perspective. If we do trade below USD 11,213 then the probability of price trading to a new high will start to decrease, meaning that is then an increased chance they are separate cycles.

## Supramax Calendar 3-year Seasonality Avg/Max/Min



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