



# Supramax Technical Report

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## Index

Unchanged on the technical this week with the futures continuing to consolidate. We remain below the 200-period MA and the weekly pivot level (USD 11,627 – USD 11,534) whilst the RSI is above its MA. If we close above the resistance zone, it will warn that we could see a move higher. Like last week, a move below USD 11,301 will create a positive divergence with the RSI, implying caution below this level. Seasonality also suggests caution on downside moves.

## March 24

The futures remain technical bullish with the gap between price and the 55-period MA at around 10% due to the MA moving higher. The MA on the RSI continues to suggest that momentum is supported, whilst the RSI is making new highs, suggesting support levels could hold if tested. We are at a natural area of resistance (100% Fibonacci projection); however, the RSI and momentum support are warning that downside moves could be countertrend in the near-term. The caveat is obviously the carry between the rolling front month and the index which is at around USD 4,000. This would suggest that we need to see some form of technical pullback into a rising index for support levels to hold.

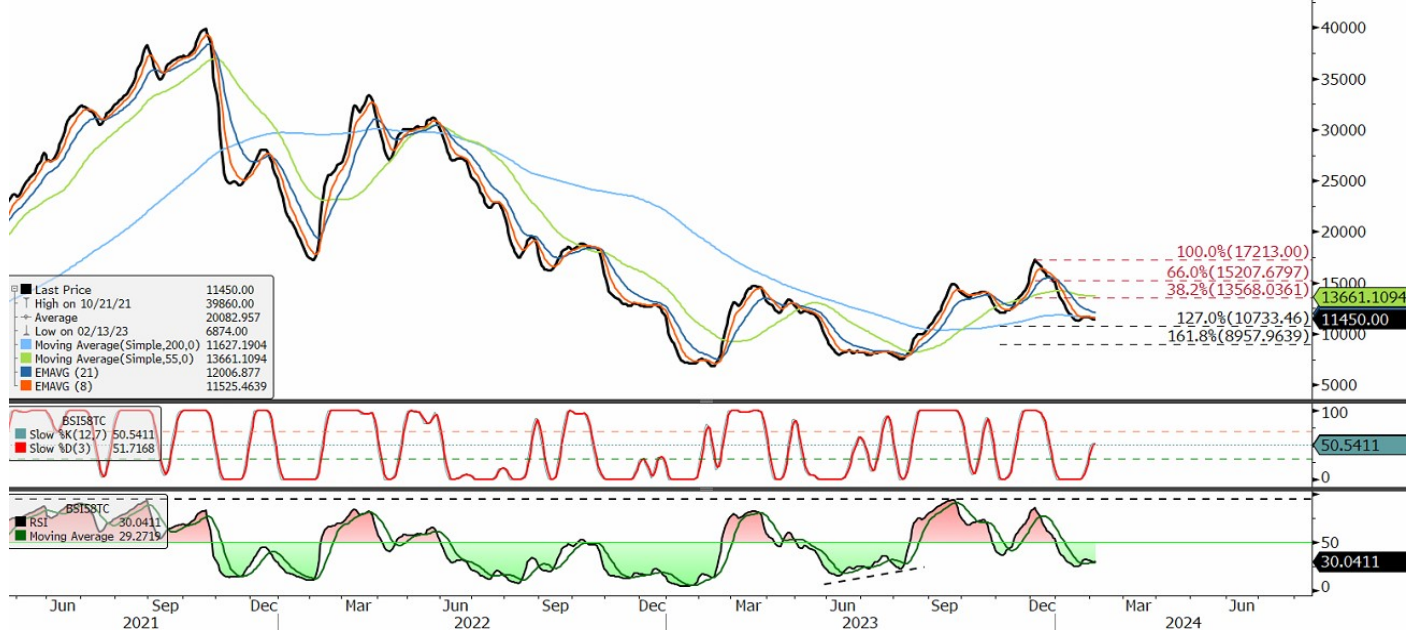
## Q2 24

The futures held Fibonacci support levels last week resulting in price trading to a new high; however, we have failed to close above the USD 15,675 high (the high of the weekly rejection candle from two weeks ago). The new high means that the futures are in divergence with the RSI, not a sell signal it is a warning that we could see a momentum slowdown which will need to be monitored. With the divergence in play we are cautious on upside moves at this point.

## Cal 25

The futures consolidated last week before trading to a new high on Monday. However, the new high has created a negative divergence with the RSI, resulting in the upside move has failed to hold, meaning we are only USD 225 above last weeks values. Like the Q2, we have a caution view on upside moves due to the divergence that is in play.

# Supramax Index



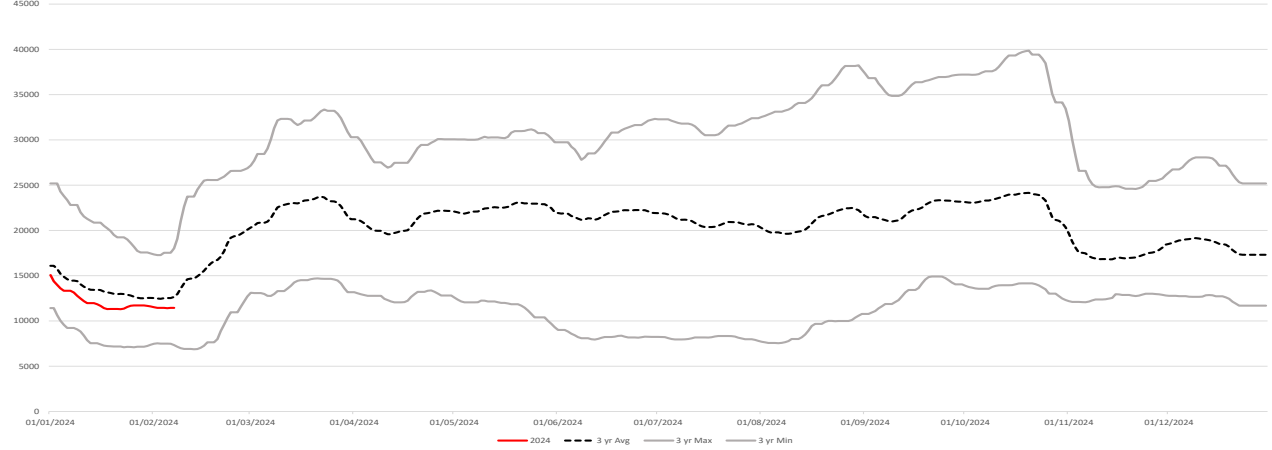
	Support	Resistance	Current Price	Bull	Bear
S1	10,733	R1	13,568		
S2	9,560	R2	15,207		RSI below 50
S3	8,957	R3	17,213		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (30)
- Stochastic is above 50
- The index was starting to consolidate near its lows last week, we were below all key moving averages with the RSI below 50; however, the RSI had moved above its moving averages which had started to flatten, implying sell side momentum was slowing down. We were below the weekly pivot point (USD 11,574) and the 200 period MA (USD 11,637), if we held below these levels, then we would be vulnerable to further downside moves. However, a move above that held above these levels would warn that upside resistance levels could come under pressure. We also noted that 3-year seasonality average values were due to turn higher, implying caution on downside moves, whilst a move below USD 11,301 could create a positive divergence with the RSI. Technically bearish, we were at an inflection point around key levels, meaning we had more of a neutral view until directional bias had been established. With the futures at an inflection point, the technical has consolidated. We remain below all key moving averages with the RSI below 50.
- Momentum based on price is still aligned to the sell side, a close above USD 11,499 will mean it is aligned to the buy side. Upside moves that fail at or below USD 15,207 will leave the index vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical, we remain below the 200-period MA (USD 11,627) and the weekly pivot level (USD 11,534) with the RSI above its MA. If we close above this resistance zone it will warn that Fibonacci resistance level could come under pressure. Likewise, downside moves below USD 11.301 will create a positive divergence with the RSI, suggesting caution on moves below this level. Seasonality, high, low, and average values all turn higher about this time of year. We are still at an inflection point, but have a cautious view on downside moves.

Supramax Index 3-Year Seasonality Avg/max/Min



# Supramax March 24



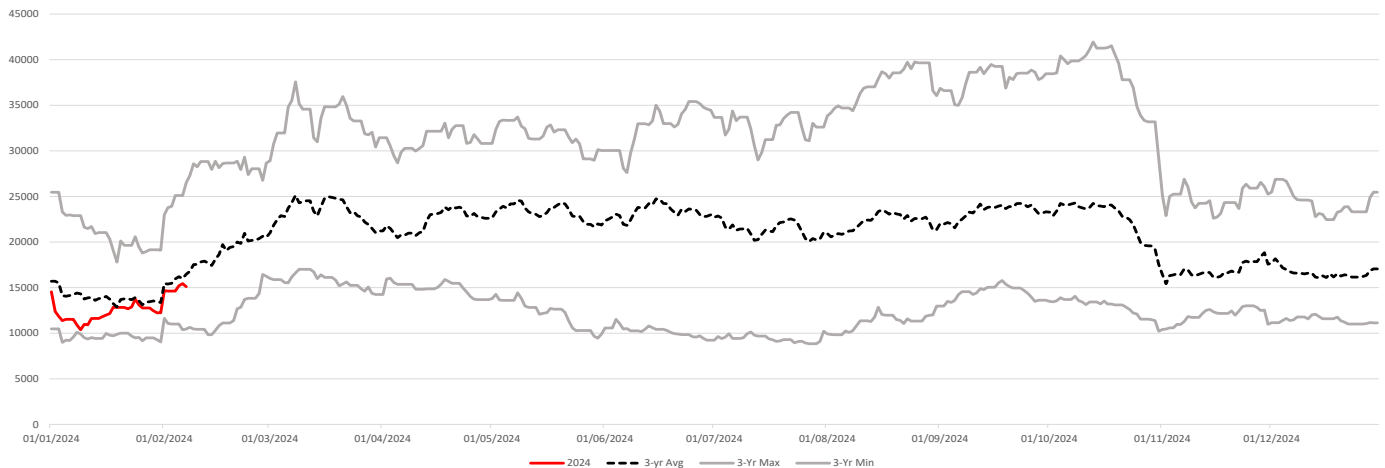
Support		Resistance		Current Price	Bull	Bear
S1	14,146	R1	15,350	15,100	RSI above 50	Stochastic overbought
S2	13,712	R2	16,288			
S3	13,124	R3	17,087			

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (59)
- Stochastic is overbought
- Technically bullish last week, the upside gap had created a mean reversion gap with the 55-period EMA (price was 18.5% above the average). Although the gap was not at an extreme, it warned that the futures could be vulnerable to a pullback in the near-term, suggesting caution on upside moves. We noted that the MA on the RSI implied that momentum was supported, as was seasonality, suggesting support levels could hold if tested. The futures did trade to a high of USD 15,550 before seeing a small pullback to USD 15,100. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above 13,124 will support a bull argument, below this level the technical will have a neutral bias.
- We remain technically bullish. The 55-period MA is now moving higher, meaning price is only around 10% above the average. The MA on the RSI continues to suggest that momentum is supported with the RSI making new highs, implying support levels should in theory hold if tested. Due to the roll the upside move is testing a 100% Fibonacci projection level (USD 15,350) which is a natural area of resistance. However, with the momentum support and RSI high, the technical is suggesting that downside moves could be countertrend in the near-term.

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



# Supramax Q2 24

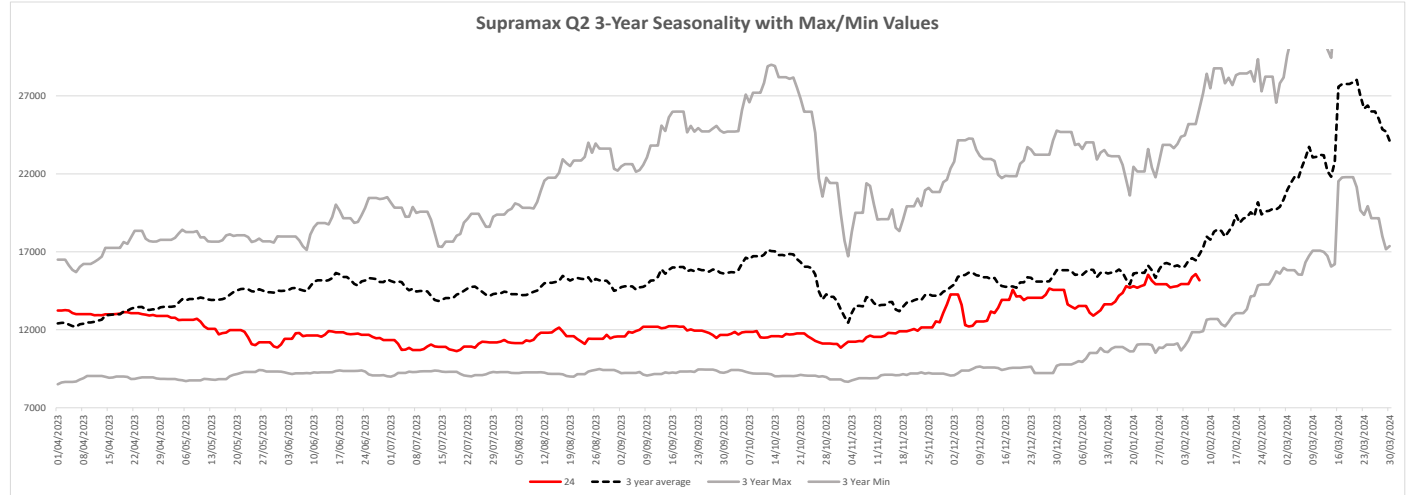


Support	Resistance	Current Price	Bull	Bear
S1	R1	14,775	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Source Bloomberg

## Synopsis - above

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Technically bullish but in a corrective phase last week, the futures were moving lower on the back of a weekly rejection candle, warning that support levels were vulnerable, making USD 13,761 the key level to follow. Below this level the probability of the futures trading to a new high would start to decrease. If we held support, resistance remained vulnerable. The MA on the RSI was suggesting that we still had momentum support; however, the RSI was below its average, implying momentum is showing signs that it was slowing down. Technically bullish, support levels were vulnerable due to price moving lower on the negative divergence alongside the weekly rejection candle. If we did trade above and close above the high of the weekly rejection (USD 15,675), it would imply a change in sentiment, meaning resistance level could come under pressure. The futures held above the USD 15,482 Fibonacci support before opening on Monday above the weekly pivot level (USD 14,833), resulting in the futures trading to a new high. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 13,769 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures have traded above but failed to hold above the USD 15,675 high at this point. The new high means the futures are in divergence with the RSI, not a buy signal, it is a warning that we could see a momentum slowdown which will need to be monitored. The MA on the RSI is now flat, warning buyside momentum is slowing. Due to the futures being in divergence, we now have a cautious view on upside moves at this point.





# Supramax Cal 25



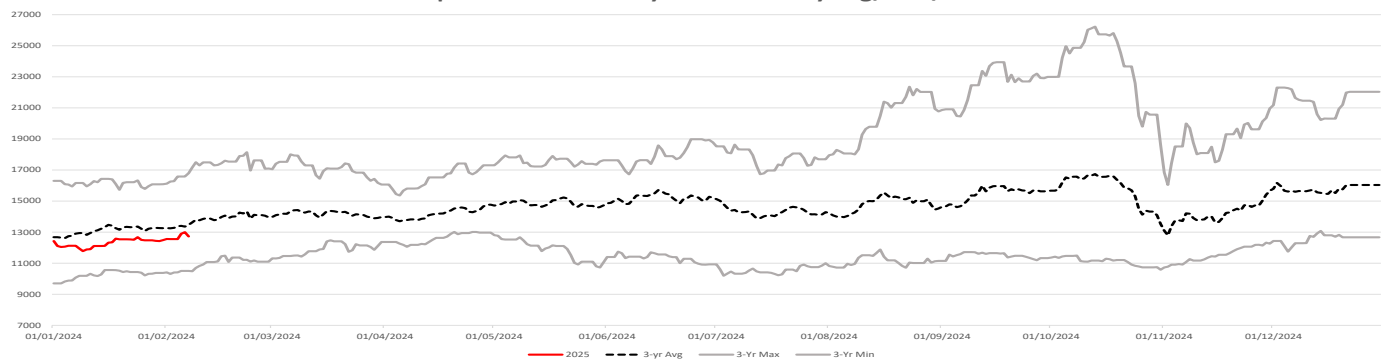
	Support	Resistance	Current Price	Bull	Bear
S1	12,492	R1	13,064	RSI above 50	Stochastic overbought
S2	12,312	R2	13,475		
S3	12,068	R3	14,000		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Unchanged on the technical last week, we remained cautious on upside moves due to the divergence in play, as it warned that they could struggle to hold. Key support remained unchanged at USD 11,949, below this level the probability of the futures trading to a new high would start to decrease. We had little price movement last week; however, we did have a strong upside move on Monday, resulting in the futures trading to a high of USD 13,075. Due to the divergence highlighted previously, the move higher is struggling to hold, with price trading back at USD 12,750, only USD 225 above last week values. We are above all key moving average supported by the RSI above 50.
- Downside moves that hold at or above USD 12,068 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, having traded to a new high, the futures are moving lower on the back of a negative divergence with the RSI. Key support is now at USD 12,068, a move below this level will warn that the probability of the futures trading to a new high will start to decrease. Due to the divergence in play, we remain cautious on upside moves at this point.

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



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