



Supramax Technical Report

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Index

The technical remains bearish with a neutral bias, price action is bullish. Due to the strength of the upside move, the probability of the index trading to a new low continues to decrease. The new high means that we have a negative divergence in play with the RSI. Not a sell signal it is a warning that we could see a momentum slowdown, which needs to be monitored. We are a cautious bull due to the divergence.

May 24

Technically bullish, a have seen a small move higher since last week. We now have two rejection candles (one of the candles is currently in play) alongside a negative divergence, warning the futures are looking vulnerable to a move lower. The futures are not considered a technical buy at this point, as sell side pressure is increasing, meaning support levels could be tested.

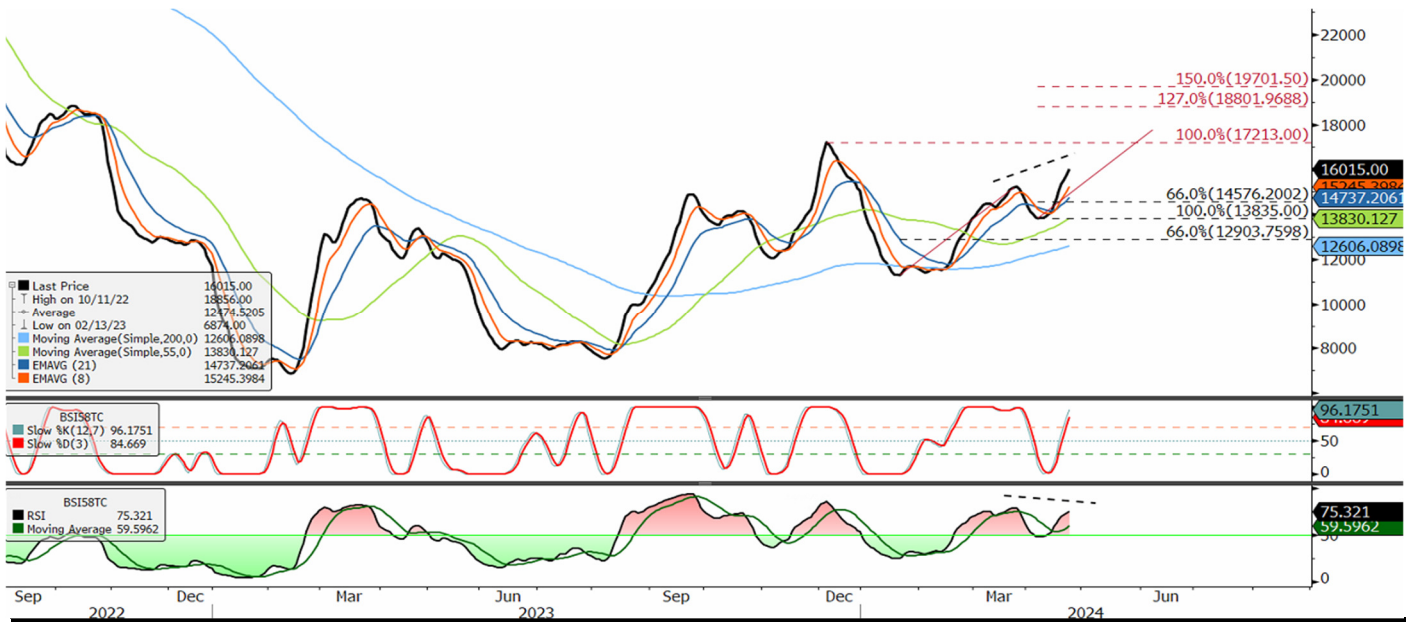
Q3 23

The RSI held resistance last week resulting in a small move lower in the futures. However, the technical remains unchanged with our Elliott wave analysis warning that we are still vulnerable to one more test to the upside within this phase of the cycle. Key support is at USD 14,291, if broken then the probability of the futures trading to a new high will start to decrease.

Cal 25

Unchanged on the technical this week, we maintain our view that the USD 13,300 fractal high remains vulnerable. The MA on the RSI is implying momentum is still supported with Elliott wave analysis suggesting that we have the potential to trade as high as USD 13,989 within this phase of the cycle. However, above USD 13,300 the futures will be in divergence with the RSI, not a sell signal, it suggests caution on upside breakouts, as the move could struggle to hold.

Supramax Index



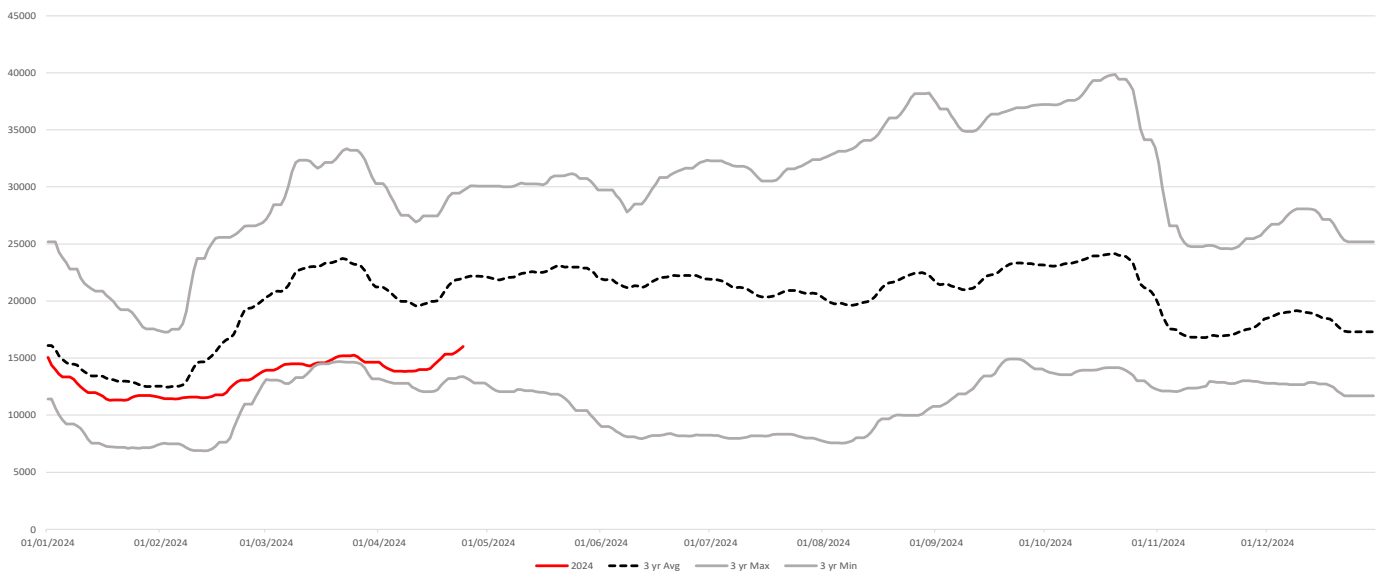
| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 14,576 | R1 | 17,213 | RSI above 50 | Stochastic overbought |
| S2 | 13,835 | R2 | 18,801 | | |
| S3 | 12,903 | R3 | 19,701 | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (75)
- Stochastic is overbought
- The index had rolled over to the buy side last week with price above the weekly pivot level (USD 13,938). The RSI was above its MA, with the average starting to flatten, meaning we are seeing sell side momentum slowdown. The RSI was above 50 with the stochastic in oversold territory, indicating we have the potential to move higher from here, warning the USD 15,248 fractal resistance could be tested and broken. The index has traded to a new high, price is above all key moving averages with the RSI above 50.
- Momentum based on price (MBP) is aligned to the buy side, a close below USD 15,358 will mean it is aligned to the sell side. Downside moves that hold at or above USD 14,576 will support a bull argument, if broken the technical will have a neutral bias.
- Technically we are bearish with a neutral bias, price action is bullish. The probability of the index trading to a new low continues to decrease, due to the strength of the upside move. The MA on the RSI is implying that momentum is supported at this point; however, the RSI has been in divergence since the USD 15,248 breakout. Not a sell signal, it is a warning that we have the potential to see a momentum slowdown which will need to be monitored. A close below the MBP level (USD 15,358) will warn that buy side momentum is slowing. A cautious bull due to the divergence in play.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax May 24



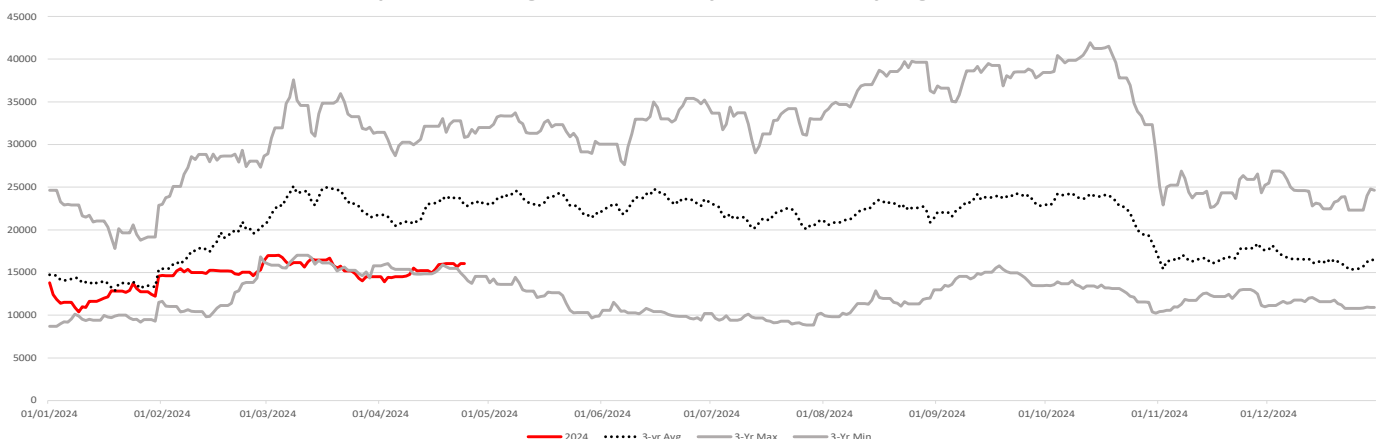
| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 15,783 | R1 | 16,050 | RSI above 50 | Stochastic overbought |
| S2 | 15,567 | R2 | | | |
| S3 | 14,761 | R3 | | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Technically bearish with a neutral bias last week, the intraday technical was bullish. The probability of the futures trading to a new low had started to decrease. The MA on the RSI was moving higher, implying we had momentum support, warning resistance levels could be tested and broken. We did have a negative divergence on the intraday chart, warning we could see a momentum slowdown. However, the break in key resistance alongside the momentum support would suggest that downside moves could now be countertrend. We traded to a new high, but the upside move is currently struggling to hold with only a small move higher since last week. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 14,761 will support a near-term bull argument. If broken, then the USD 13,775 fractal low will start to look vulnerable.
- Technically bullish, we now have two rejection candles (one is currently in play, so not confirmed yet), alongside a negative divergence (highlighted). Not a sell signal, it is warning that we could see a momentum slowdown, whilst the rejection candles is signalling sell side pressure at higher levels. Due to the divergence and rejection candles, the futures are not considered a technical buy at these levels, as the technical is suggesting that the futures are looking vulnerable to a move lower.

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



Supramax Q3 24

| | |
|--|----------|
| ■ S58FQ Q324 FISL Index - Last Price | 15265.06 |
| ■ EMAVG (8) on Close (S58FQ Q324 FISL) | 15012.59 |
| ■ EMAVG (21) on Close (S58FQ Q324 FISL) | 14810.91 |
| ■ Moving Average(Simple,55,0) (S58FQ Q324 FISL) | n.a. |
| ■ Moving Average(Simple,200,0) (S58FQ Q324 FISL) | n.a. |

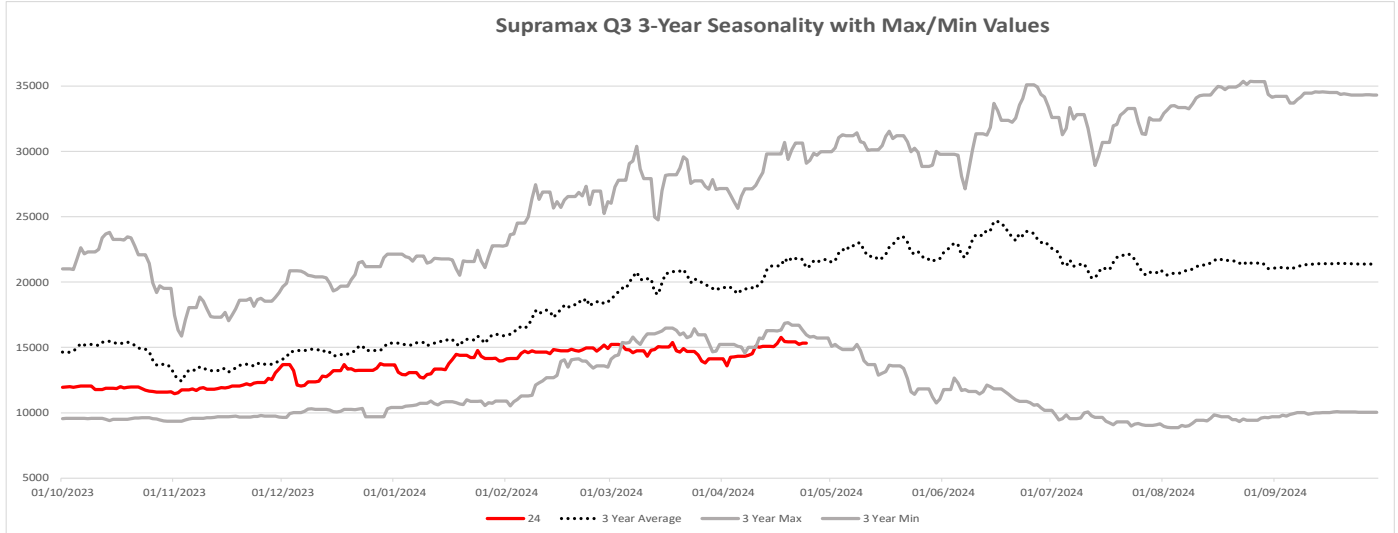


| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|------|
| S1 | 14,958 | R1 | 16,101 | RSI above 50 | |
| S2 | 14,675 | R2 | 16,815 | | |
| S3 | 14,291 | R3 | 17,725 | | |

Source Bloomberg

Synopsis - above

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is above 50
- Technically bullish last week, the MA on the RSI implied that momentum was supported. However, the RSI was testing resistance, which needed to be broken. Our intraday Elliott wave analysis was suggesting that downside moves should be considered as countertrend, meaning that should in theory be further upside within this cycle. The RSI held resistance resulting in a small move lower. We remain above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 14,291 will support a near-term bull argument, below this level the technical will have a neutral bias.
- Unchanged on the technical this week, the futures have entered a small corrective phase. However, our intraday Elliott wave analysis would suggest that we still have the potential for one more test to the upside within this phase of the cycle, making USD 14,291 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. We should note that this does not look in line with the rolling front month contract. Either one of the technicals is wrong, or there is a spread to trade between the two!



Supramax Cal 25



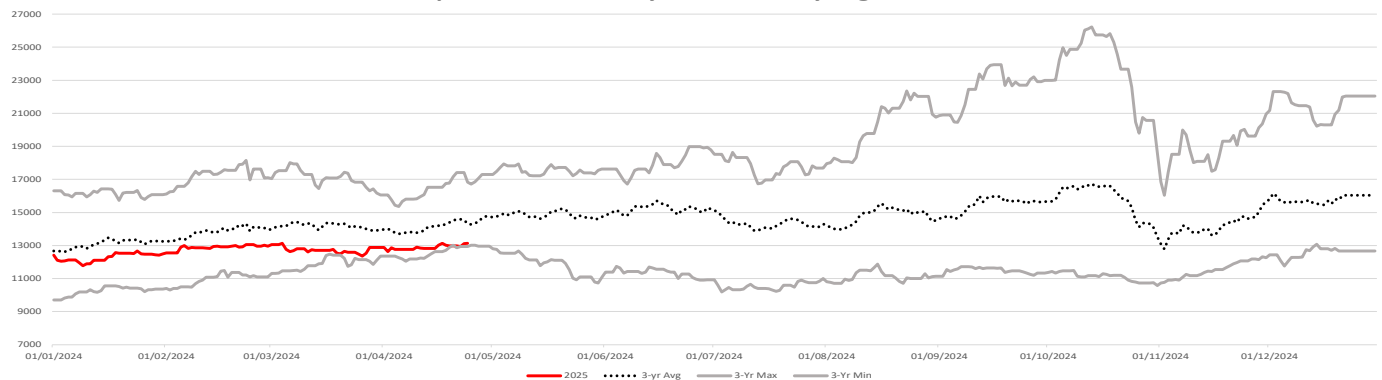
| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 12,975 | R1 | 13,335 | RSI above 50 | Stochastic overbought |
| S2 | 12,239 | R2 | 13,662 | | |
| S3 | 11,912 | R3 | 13,989 | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Technically bullish last week, the futures had broken the consolidation phase and the USD 12,960 resistance, suggesting the USD 13,300 fractal high would be tested and broken. If it was, then we have the potential to trade as high as USD 13,989 within this phase of the cycle. The MA on the RSI was implying that momentum is supporting the upside move. We have seen little price movement in the last week with the futures trading to a high of USD 13,200. We remain above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 11,468 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, we maintain our view that the USD 13,300 fractal high remains vulnerable. If broken, we have the potential to trade as high as USD 13,989. However, above USD 13,300 the futures will be in divergence with the RSI, not a sell signal, it suggests caution on upside breakouts. The MA on the RSI continues to suggest that momentum is supported at this point. A cautious bull, as the divergence is warning that upside moves could struggle to hold.

Supramax Calendar 3-year Seasonality Avg/Max/Min



The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com