



# Supramax Technical Report

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## Index

Unchanged on the technical this week, we remain bearish with the MA on the RSI implying momentum is weak. However, we are cautious on downside moves due to the 5-wave pattern lower, as it warns that momentum could slow down. The index has started, implying we are vulnerable to a move higher.

## Oct 24

The futures failed to trade above the USD 14,760 level last week, resulting in price selling to new lows. We are moving higher with the MA on the RSI suggesting that we have light momentum support. However, a lower timeframe Elliott wave cycle is warning that the upside move could be countertrend. A move above USD 14,667 will warn that the probability of the futures trading to a new low will start to decrease. We are going to note here that the Q4 and Cal contracts also suggest that upside moves look to be countertrend. Meaning even if the resistance is broken, we still have a note of caution on moves higher.

## Q4

bearish but vulnerable to a move higher last week; however, upside moves looked like they could be countertrend. The futures did move higher, but the move failed to hold, resulting in price trading to new lows. Technically, we remain unchanged as the pullback has not been deep enough to be the countertrend Elliott correction we were looking for, meaning we maintain our view that upside moves look to be countertrend.

## Cal 24

Technically bearish las week, an intraday divergence suggested we were vulnerbale to a move higher in the near-term in what we considered as a countertrend move. We did move higher, but we failed to hold, resulting in the futures trading down to but not below the USD 12,550 low. We are moving higher again; however, like the Q4, last week's move was not deep enough, meaning we still consider upside moves to be countertrend.

# Supramax Index



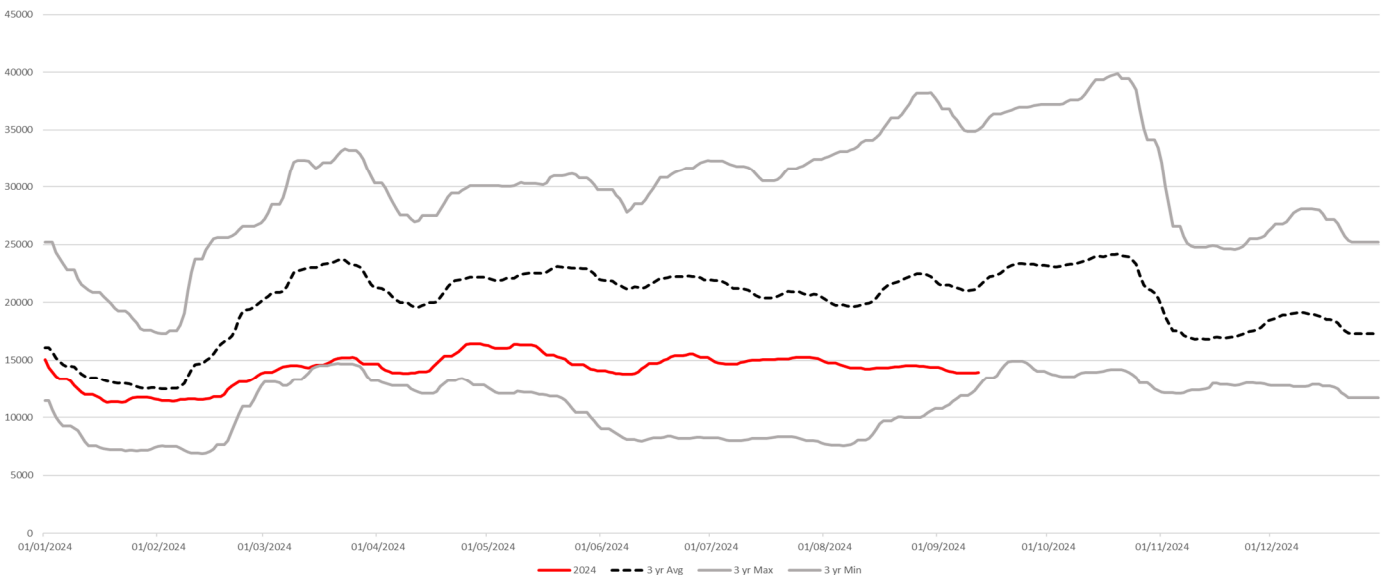
|    | Support | Resistance | Current Price | Bull                | Bear         |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 13,835  | R1         | 15,539        | Stochastic oversold | RSI below 50 |
| S2 | 13,048  | R2         | 16,441        |                     |              |
| S3 | 12,400  | R3         | 17,157        |                     |              |

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (30)
- Stochastic is oversold
- Technically bearish last week, the index was below the 200-period MA (USD 14,312), warning the USD 13,789 fractal support could be tested and broken. We noted that we had a 5-wave pattern lower, warning downside moves could struggle to hold below USD 13,789, as the downside wave formation since the high in April is looking like an A-B-C corrective pattern that could be nearing exhaustion. We were cautious on downside breakouts below USD 13,789.
- The index sold to a low of USD 13,865 before turning higher. We are below all key moving averages with the RSI below 50.
- Momentum based on price (MBP) is aligned to the buyside, a close below USD 13,894 will mean it is aligned to the sell side. Upside moves that fail at or below USD 15,539 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 this week, we remain bearish with the MA on the RSI implying that momentum is weak. However, as noted previously, we have a 5-wave pattern lower, warning downside moves could struggle to hold, as the downside wave formation since the high in April is looking like an A-B-C corrective pattern which looks to be nearing exhaustion. We remain cautious on downside moves, as we are now vulnerable to a move higher.

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



# Supramax Oct 24

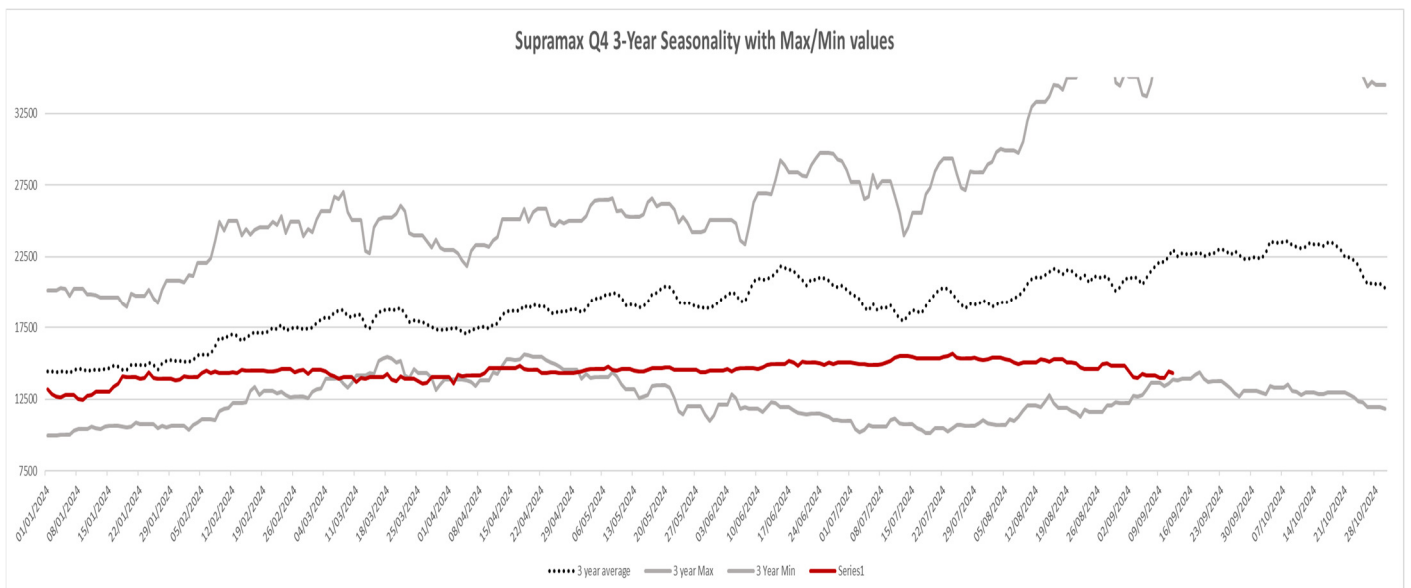


|    | Support | Resistance | Current Price | Bull                | Bear         |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 13,856  | R1         | 14,575        | Stochastic oversold | RSI below 50 |
| S2 | 13,525  | R2         |               |                     |              |
| S3 | 13,106  | R3         |               |                     |              |

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (47)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI implied that we had light momentum weakness; however, the new low meant that the futures were in divergence with the RSI. Not a buy signal, it warned that we could see a momentum slowdown, which needed to be monitored. For this reason, the futures were not considered a technical sell at these levels. If we did trade above USD 14,760, then the probability of the futures trading to a new low will start to decrease.
- The futures traded to a high of the USD 14,625 level; however, the move failed to hold, resulting in the futures trading back to a new low, creating a second positive divergence and a move higher. We are between the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 14,667 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 is implying that we have light momentum support. We noted on the morning technical that there looked to be a lower timeframe Elliott wave cycle in play, warning the current move higher has the potential to be countertrend. However, if we do trade USD 14,667 resistance, then the probability of the futures trading to a new low will start to decrease.



# Supramax Q4 24



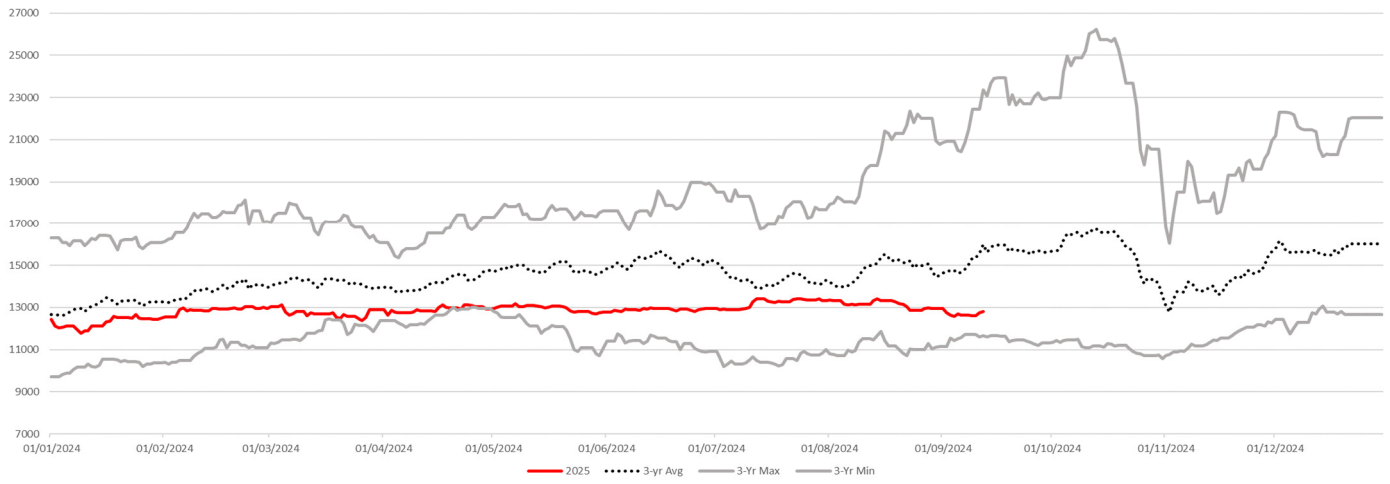
|    | Support | Resistance | Current Price | Bull                | Bear         |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 13,925  | R1         | 14,325        | Stochastic oversold | RSI below 50 |
| S2 | 13,587  | R2         | 14,487        |                     |              |
| S3 | 13,300  | R3         | 14,707        |                     |              |

Source Bloomberg

## Synopsis - above

- Price is below the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI implied that momentum remained weak. We noted that lower timeframe momentum indicators were oversold, meaning we are starting to look vulnerable to a move higher in the near-term. However, our intraday Elliott wave cycle continued to suggest that upside moves look like they could be countertrend, making USD 14,767 the key resistance to follow. Above this level the probability of the futures trading to a new low would start to decrease.
- The futures moved higher, but the move failed to hold, resulting in price selling to a new low of USD 13,800 before finding bid support. We are between the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 14,707 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the futures are finding bid support on the back of a minor positive divergence with the RSI. The MA on the RSI has started to flatten, implying sell side momentum is slowing. However, the move higher last week was not deep enough to be the upside move that we were looking for, meaning our Elliott wave analysis continues to suggest that the current move higher is countertrend. For this reason, we are cautious on upside at this point, as the technical indicates that they could struggle to hold. If we do trade above the USD 14,707 level, then the probability of the futures trading to a new low will start to decrease.

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



# Supramax Cal 25



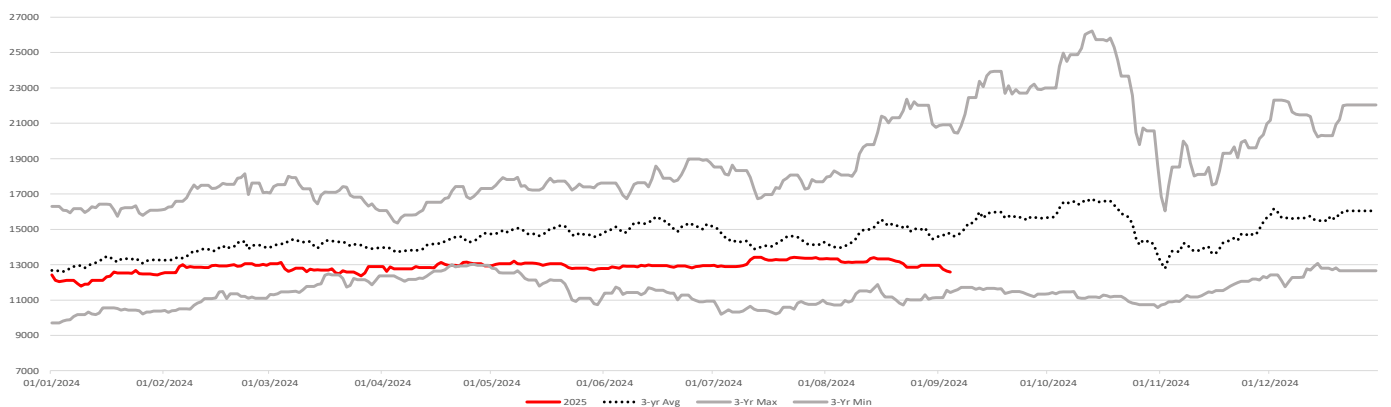
|    | Support | Resistance | Current Price | Bull                | Bear         |
|----|---------|------------|---------------|---------------------|--------------|
| S1 | 12,562  | R1         | 12,815        | Stochastic oversold | RSI below 50 |
| S2 | 12,300  | R2         | 13,009        |                     |              |
| S3 | 12,034  | R3         | 13,246        |                     |              |

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI indicated that momentum was weak. The intraday RSI was in divergence with price, warning we are looking vulnerable to a move higher in the near-term. However, the pullback (upside move) previously had not been deep enough to be the Elliott wave correction that we were looking for, meaning we maintained our view that upside moves should still be countertrend. If we did trade above the USD 13,009 level, then the probability of the futures trading to a new low would start to decrease.
- The futures traded up to USD 12,825 and back down to the USD 12,550 low. We are currently finding bid support with price between the 8-21 period EMA's whilst the RSI is below 50.
- Upside moves that fail at or below USD 13,009 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Unchanged on the technical this week. The MA on the RSI is flat, implying momentum is neutral; however, our intraday Elliott wave analysis continues to suggest that upside moves look like they could be countertrend. We remain cautious on moves higher, if we do trade above the USD 13,009 level, then the probability of the futures trading to a new low will start to decrease.

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



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