



Supramax Technical Report

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Index

Bearish last week with the RSI in a support zone; however, we noted that there was still the potential for further downside. Having sold USD 1,000 lower the RSI is now at 8.2 with base support at 4.5, although this does mean there is still room for further downside, it is now starting to look limited.

Dec 24

Bearish but with a note of caution on downside moves last week due to the futures being in divergence with the RSI. We have continued to sell lower resulting in the divergence failing; however, the intraday RSI is still divergent, which needs to be monitored, as it warns that sell side momentum could slow down. Elliott wave analysis continues to suggest that upside moves look like they could be countertrend; if we close above USD 11,691 it will warn that momentum based on price is increasing, meaning we could be about to see a countertrend move higher.

Q1

Technically bearish last week, a downside rejection candle whilst in divergence implied sell side momentum was slowing. We noted that if we closed above USD 10,558 it would indicate that buy-side pressure was increasing. Having failed to close above this level the futures traded to new low, before finding bid support on the back of another divergence. The Elliott wave is unclear on the Q1, as we now have a very marginal momentum cross on the lower timeframe, warning this phase of the bear cycle may have completed; however, this is at odds with the Dec and Cal 25, so we are not fully committed to calling downside completion, as we are vulnerable to a wave extension lower based on the other cycles. However, based on the technical in front of us, outside of the wave cycle, resistance levels are starting to look a little vulnerable.

Cal 25

Bearish but cautious on moves lower last week as we had a second positive divergence in play. We traded to a low of USD 11,725 before finding bid support to trade to a high of USD 12,025; however, the move failed to hold, resulting in price trading back to the low of USD 11,675. The futures are back in divergence again, warning sell side momentum could slow down, which will need to be monitored. The upside move on the 12th does not look to have been high enough for our Elliott wave pullback (the lower timeframe crossed missed it marginally), suggesting upside moves still look like they could be countertrend. If we do trade above the USD 12,632 resistance, then the probability of the futures trading to a new low will start to decrease.

Supramax Index



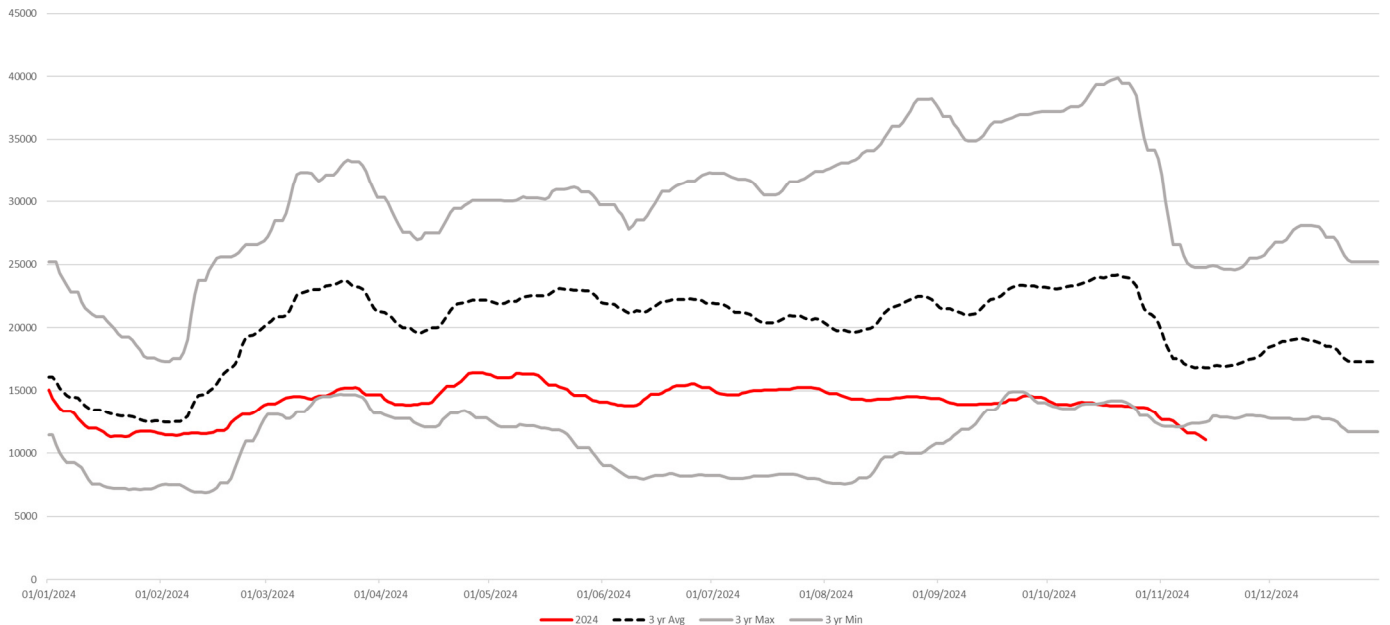
	Support	Resistance	Current Price	Bull	Bear
S1	10,529	R1	11,063	Stochastic oversold	RSI below 50
S2	8,932	R2			
S3	8,270	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (8)
- Stochastic is oversold
- Unchanged on the technical last week, we continued to move lower with the MA on the RSI implying momentum remained weak. As noted previously, the divergence failure suggested that upside moves looked like they could be countertrend, implying they could struggle to hold. The RSI at 12 was entering a support zone which needed to be monitored; however, we noted that there was still room for further downside in the near-term, as base support was at 4.5.
- The have continued to sell lower with price remaining below all key moving averages supported by the RSI below 50.
- Momentum based on price (MBP) is aligned to the sell side, a close above USD 11,565 will mean it is aligned to the buy side. Upside moves that fail at or below USD 14,612 will leave the index 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 momentum is weak. The RSI is at 8.2 with base support highlighted last week at 4.5; although there is room for further downside, it is now starting to look very limited, suggesting caution on moves lower at these levels.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax Dec 24



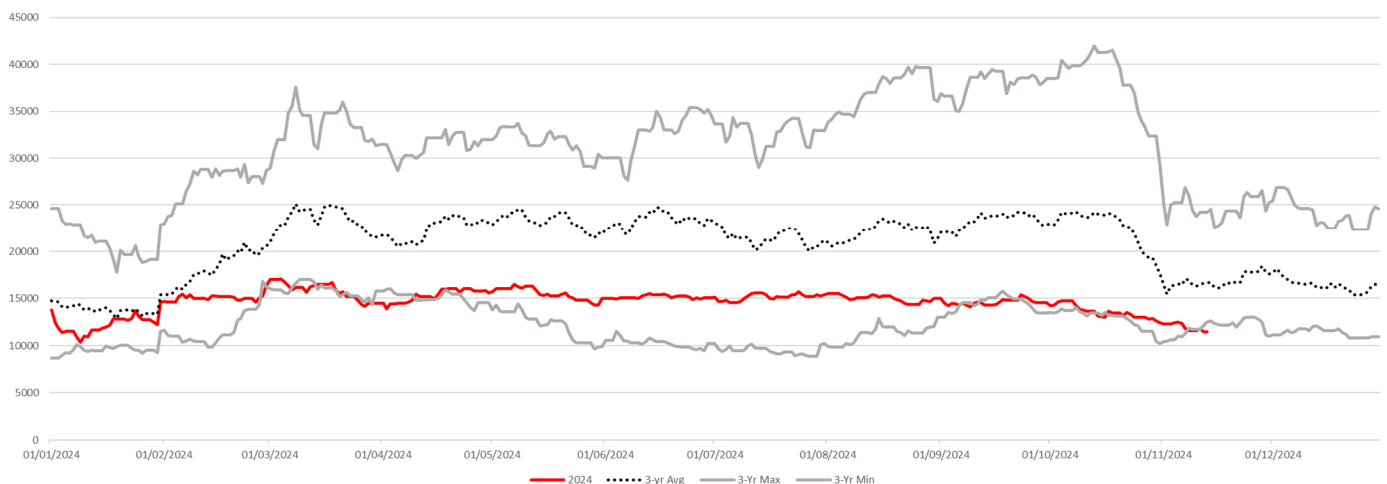
	Support	Resistance	Current Price	Bull	Bear
S1	11,383	R1	11,425	Stochastic oversold	RSI below 50
S2	11,000	R2			
S3	10,616	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (28)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI implied that we had light momentum weakness; however, the RSI was testing support whilst we had a minor divergence in play. Not a buy signal, it warned that sell side momentum could slow down, meaning we had a note of caution on downside moves at these levels. As noted previously, there did seem to be a larger, bearish Elliott wave cycle in play, which suggested that upside moves looked like they could be countertrend, making USD 13,965 the key resistance to follow. A move above this level would mean that the probability of the futures trading to a new low would start to decrease. We noted that we were looking at a downside rejection candle, if we closed above USD 12,408, it would warn that buy-side pressure was increasing.
- We failed to close above the USD 12,408 level, resulting in the futures selling lower and the divergence failing. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 13,650 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the divergence has failed on the daily timeframe; however, the intraday divergence is still in play which needs to be monitored. A close above USD 11,691 will indicate that momentum based on price is starting to increase, warning we could be about to enter a countertrend move higher.

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



Supramax Q1 25

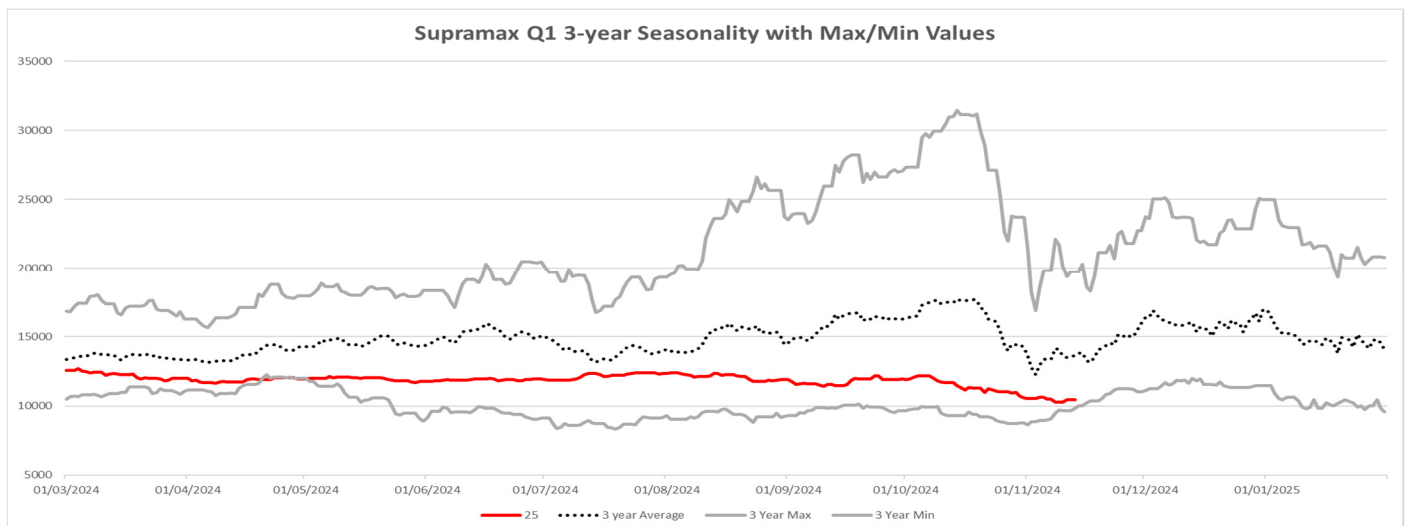


	Support	Resistance	Current Price	Bull	Bear
S1	10,125	R1	10,936	Stochastic oversold	RSI below 50
S2	9,780	R2	11,187		
S3	9,637	R3	11,527		

Source Bloomberg

Synopsis - above

- Price is below the 8-21 period EMA's
- RSI is below 50 (35)
- Stochastic is oversold
- Technically bearish last week, the MA on the RSI implied that we had light momentum weakness. We had a downside rejection candle in play whilst in divergence with the RSI, implying downside momentum was slowing. A close above USD 10,558 would warn that buyside momentum was increasing, suggesting we could see a move higher. However, Elliott wave analysis suggested that upside moves should be considered as countertrend. We were cautious on moves lower at these levels, as the technical warned that we could be about to see a move higher, making USD 11,621 the key resistance to follow. A move above this level would warn that the probability of the futures trading to a new low will start to decrease.
- The futures failed to close above the USD 10,558 level, resulting in one final test to the downside. Having traded to a low of USD 10,125 we are now finding light bid support. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 11,527 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 light bid support on the back of the positive divergence with the RSI, warning resistance levels could come under pressure in the near-term. The Elliott wave cycle is a little unclear, if we reject the USD 11,527 level it will warn that we could be looking at a downside wave extension. However, above this level the probability of the futures trading to a new low will start to decrease. Based on the technical in front of us, resistance levels are starting to look vulnerable.



Supramax Cal 25



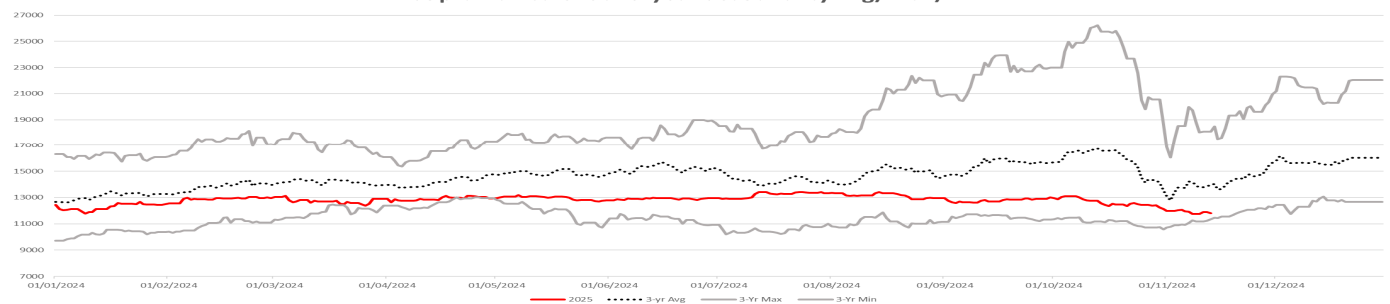
	Support	Resistance	Current Price	Bull	Bear
S1	11,662	R1	12,228	Stochastic oversold	RSI below 50
S2	11,547	R2	12,400		
S3	11,383	R3	12,632		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Unchanged on the technical last week, the MA on the RSI implied that we had light momentum weakness. The initial divergence had failed; however, we had a second divergence in play, warning sell side momentum could slow down. Due to the divergence, we were cautious on moves lower. Elliott wave analysis did suggest that upside moves should be considered as countertrend, making USD 12,700 the key resistance to follow. A move above this level would warn that the probability of the futures trading to a new low would start to decrease.
- The futures traded to a low of USD 11,725 before finding bid support to trade to a high of USD 12,025; however, the move failed to hold, resulting in price trading back to the low of USD 11,675. We remain below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 12,632 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 momentum remains weak. The new low has created another positive 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 move higher on the 12/11 does not look like it was high enough to be the countertrend move we were looking for, making USD 12,632 the key resistance to follow. If we do trade above this 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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