



# Supramax Technical Report

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

## Index

Technically bullish but in a corrective phase, the MA on the RSI implies that momentum is weakening, making USD 14,960 the key support to follow. Below this level the probability of price trading to a new high within this phase of the cycle will start to decrease. However, the pullback in the RSI is faster than price, the RSI is breaking support, whereas price has only seen a small move lower. This is known as a hidden divergence, warning we could have one final test to the upside, leaving the USD 16,835 fractal high vulnerable in the near-term. We could move higher, but with the divergences in play, the index is not considered a technical buy at these levels.

## Nov 25

Technically bearish due to the move below the USD 15,075 fractal support, the MA on the RSI implies that momentum is weak. The RSI low warns that upside moves should be considered as countertrend in the near-term, making USD 16,035 the key resistance to follow. If broken, then the probability of the futures trading to a new high will start to decrease. However, as noted previously, there is a larger, bullish Elliott wave cycle in play, meaning this corrective phase we are witnessing is also considered as countertrend. We are cautious on upside moves in the near-term, but note this move lower is part of a larger bull cycle.

## Q4 25

We remain bullish with a neutral bias, the MA on the RSI implies that momentum is weak; below USD 13,925 the technical will be bearish based on price. However, as highlighted previously, there looks to be a longer-term bullish Elliott wave cycle in play, making USD 11,970 the key support to follow. We have fractal support at USD 13,925, whilst USD 13,923 is two standard deviations below the linear regression line, the 55-period MA is at USD 13,916. We have a note of caution whilst above the support zone; if we close and hold below the USD 13,916 level, then the futures will target the USD 13,520—USD 13,334 area.

## Cal 26

Technically bullish, the MA on the RSI implies that momentum is weak. We have a note of caution on upside breakouts above USD 12,350, as the futures will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which needs to be monitored. If we trade below the USD 11,987 level for a second time, it will warn that the USD 11,800 fractal support could be tested and broken; this would take the technical into bearish territory, based on price. However, as noted previously, there looks to be a larger bullish Elliott wave cycle in play, suggesting downside moves should be considered as countertrend. Bullish, the divergence above USD 12,350 suggests that the futures are not considered a technical buy at these levels.

# Supramax Index



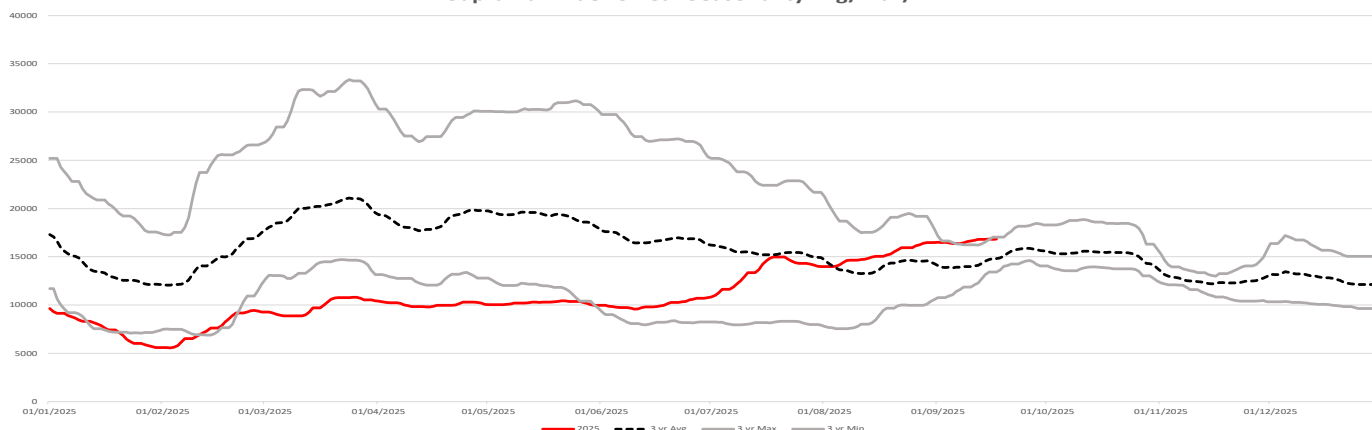
Support	Resistance	Current Price	Bull	Bear
S1	R1	16,503	RSI above 50	
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (69)
- Stochastic is below 50
- Technically bullish on the last report, the MA on the RSI had flattened, implying buy-side momentum was slowing. We had seen a small move higher but remained in divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown. A close below the weekly pivot level (USD 16,703) would indicate that sell-side pressure is increasing, warning the Fibonacci support zone could come under pressure. As highlighted previously, Elliott wave analysis continued to suggest that downside moves should be considered as countertrend. Due to price remaining in divergence, we continued to be cautious on higher moves, as the technical warned that we are vulnerable to a corrective move lower.
- The index has seen a light pullback with price below the 8-21 period EMA's, the RSI remains above 50.
- Momentum based on price (MBP) is aligned to the sell side, a close above USD 16,655 will mean it is aligned to the buy-side. Downside moves that hold at or above USD 14,960 will support a bull argument, below this level the technical will have a neutral bias. However, corrective moves that hold at or above USD 9,403 will support a longer term bullish Elliott wave cycle.
- Technically bullish but in a corrective phase, the MA on the RSI implies that momentum is weakening, making USD 14,960 the key support to follow. Below this level the probability of price trading to a new high within this phase of the cycle will start to decrease. However, the pullback in the RSI is faster than price, the RSI is breaking support, whereas price has only seen a small move lower. This is known as a hidden divergence, warning we could have one final test to the upside, leaving the USD 16,835 fractal high vulnerable in the near-term. We could move higher, but with the divergences in play, the index is not considered a technical buy at these levels.

Supramax Index 3-Year Seasonality Avg/max/Min



# Supramax Nov 25



Support	Resistance	Current Price	Bull	Bear
S1	R1	13,875	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price below the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is below 50
- Bullish but with a neutral bias on the last report (two weeks ago), the probability of the futures trading to a new high within this phase of the cycle had started to decrease, below USD 15,075 the technical would be bearish based on price. However, as noted previously, there looked to be a larger bullish Elliott wave cycle in play, suggesting downside moves should be considered as countertrend. Due to price selling lower on the negative divergence, alongside the deep pullback, we were cautious on upside moves in the near-term.
- The futures continue to sell lower on the negative divergence with the RSI. Having initially held the USD 15,075 support, the roll into the November contract means this level has now been broken. We are below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 16,035 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Key longer-term support is at USD 12,151 (Elliott wave).
- Technically bearish due to the move below the USD 15,075 fractal support, the MA on the RSI implies that momentum is weak. The RSI low warns that upside moves should be considered as countertrend in the near-term, making USD 16,035 the key resistance to follow. If broken, then the probability of the futures trading to a new high will start to decrease. However, as noted previously, there is a larger, bullish Elliott wave cycle in play, meaning this corrective phase we are witnessing as also considered as countertrend. We are cautious on upside moves in the near-term, but note this move lower is part of a larger bull cycle.

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



# Supramax Q4

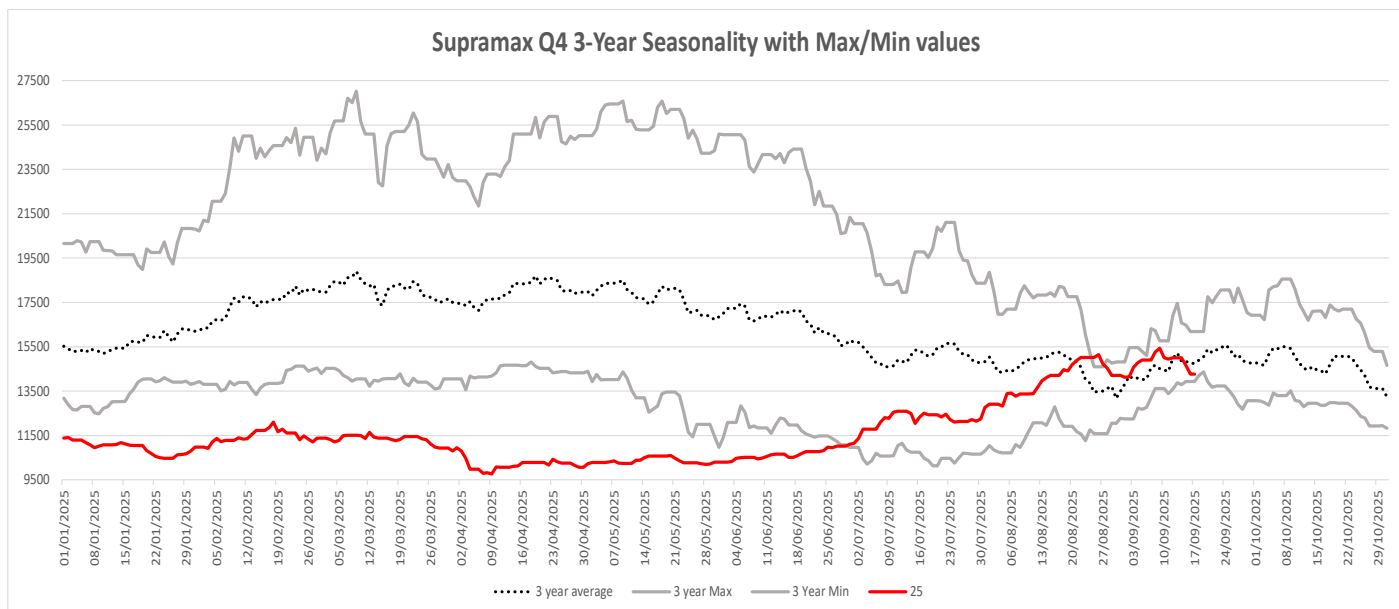


Support		Resistance		Current Price	Bull	Bear
S1	13,925	R1	14,661	14,050	Stochastic oversold	RSI below 50
S2	13,520	R2	15,106			
S3	13,334	R3	15,650			

## Synopsis - above

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- Technically bullish with a neutral bias on the last report, the probability of the futures trading to a new high within this phase of the cycle had started to decrease. The MA on the RSI implied that momentum was weak, below USD 13,925, the technical would be bearish based on price. However, as highlighted previously, there looks to be a larger, bullish Elliott wave cycle in play. Like the October contract, the move lower on the negative divergence alongside the deep pullback meant we were cautious on upside moves in the near-term.
- The futures traded to a high of USD 14,950 but the move failed to hold. We are below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 15,106 will leave the futures vulnerable to further tests to the downside, above this level, the technical will be back in bullish territory. Key longer-term support for the higher timeframe Elliott wave cycle is at USD 11,970.
- We remain bullish with a neutral bias, the MA on the RSI implies that momentum is weak; below USD 13,925 the technical will be bearish based on price. However, as highlighted previously, there looks to be a longer-term bullish Elliott wave cycle in play, making USD 11,970 the key support to follow. We have fractal support at USD 13,925, whilst USD 13,923 is two standard deviations below the linear regression line, the 55-period MA is at USD 13,916. We have a note of caution whilst above the support zone; if we close and hold below the USD 13,916 level, then the futures will target the USD 13,520—USD 13,334 area.



# Supramax Cal 26



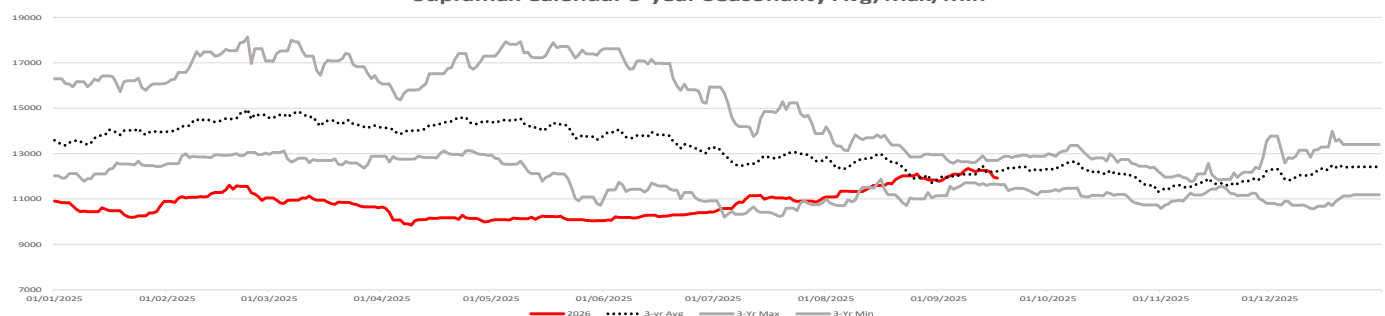
Support		Resistance		Current Price	Bull	Bear
S1	11,987	R1	12,306	12,075	RSI above 50	
S2	11,800	R2	12,462			
S3	11,452	R3	12,618			

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (56)
- Stochastic is above 50
- Bullish but with a neutral bias last week, the deep pullback on the back of the negative divergence with the RSI meant that we were cautious on upside moves in the near-term, below USD 11,800 the technical would bearish based on price. As noted previously, there looked to be a larger bullish Elliott wave cycle in play, suggesting downside moves should be countertrend, making USD 10,799 the key support to follow.
- The futures traded to a high of USD 12,275 before seeing a light pullback, meaning the technical is back in bullish territory. We are between the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 11,987 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is weak. We have a note of caution on upside breakouts above USD 12,350, as the futures will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which needs to be monitored. If we trade below the USD 11,987 level for a second time, it will warn that the USD 11,800 fractal support could be tested and broken; this would take the technical into bearish territory, based on price. However, as noted previously, there looks to be a larger bullish Elliott wave cycle in play, suggesting downside moves should be considered as countertrend. Bullish, the divergence above USD 12,350 suggest that the futures are not considered a technical buy at these levels.

## 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](http://freightinvestorservices.com)