



Supramax Technical Report

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Index

Bullish but in a corrective phase, the MA on the RSI implies momentum weakness. However, we highlighted last week the RSI was making new lows whilst price was holding above the fractal support, meaning we had a bullish hidden divergence in play. The divergence warns that we have momentum support, meaning whilst above USD 14,960 resistance levels are considered as vulnerable. A close above the 21—period EMA (USD 16,107) it will indicate buyside pressure is increasing, warning the USD 16,835 fractal high could be tested. We do have the hidden divergence, but buyside momentum is still weak at this point, hence price needs to be above the average.

Nov 25

Bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. There are some conflicts on this technical, as the upside rejection has produced a bearish island reversal pattern, suggesting caution on upside moves whilst the pattern is in play. However, the breach in the USD 15,959 resistance implies the corrective phase has completed. The conflict indicates neutrality. However, whilst above USD 14,425, resistance levels are vulnerable; conversely, if broken the technical will be back in bearish territory, warning support levels could come under pressure.

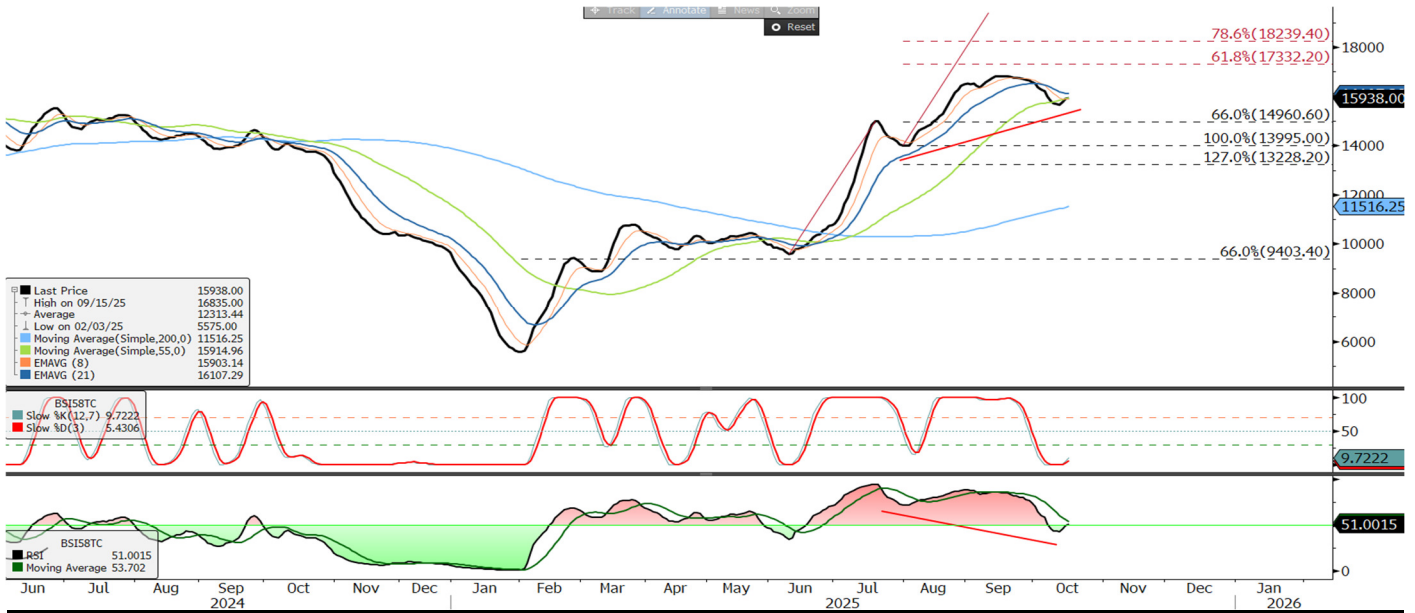
Q4 25

Technically bullish, the upside move to a new high confirms that the futures have entered the higher timeframe bullish impulse Elliott wave 5. Fibonacci projection levels suggest that we have a potential upside target at USD 17,733; however, the new high has failed to hold due to the negative divergence in play, resulting in a bearish rejection candle. Only a close that holds above the USD 16,050 will negate the rejection candle. Downside moves below USD 14,647 will warn that the probability of the futures trading to a new high has started to decrease. A cautious bull as the longer-term bull cycle has potentially completed.

Cal 26

Technically bullish, the strength of the upside move last week suggest we entered the higher timeframe bullish Elliott wave 5. In theory, we have the potential to trade as high as USD 13,267; however, to achieve this, we will need to close and hold above the USD 12,850 fractal high. The upside moves has failed to hold, resulting in the futures producing a bearish rejection candle due to the negative divergence is play. The subsequent pullback below USD 12,157 means the probability of the futures trading to a new high has started to decrease. A cautious bull.

Supramax Index



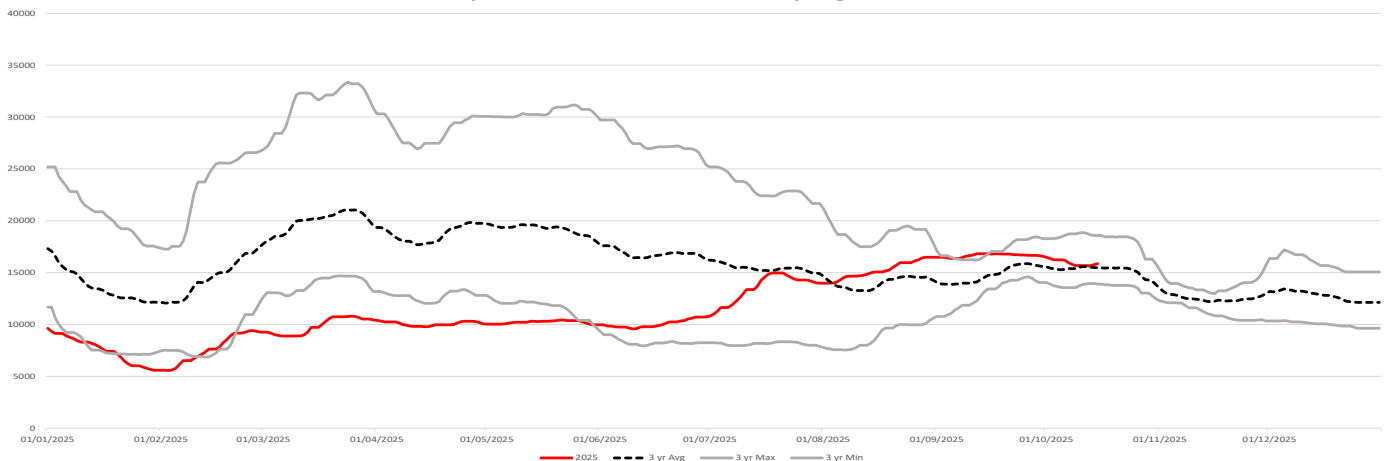
	Support	Resistance	Current Price	Bull	Bear
S1	14,960	R1	16,835	Stochastic oversold	
S2	13,995	R2	17,332		
S3	13,228	R3	18,239		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- The index remained in a corrective phase last week with the MA on the RSI implying momentum remained weak. However, as highlighted previously, the RSI was making new low whilst price was not. This was known as a hidden divergence, warning we remained vulnerable to a move higher whilst above USD 14,960; countering this, if we traded to a new high, then it would almost certainly result in a negative divergence. Below USD 14,960 the pullback would be considered as deep, meaning the probability of the futures trading to a new high would start to decrease.
- The index sold to a low of USD 15,661 before finding light bid support. We are below the 8-21 period EMA's with the RSI neutral at 49.
- Momentum based on price (MBP) is aligned to the buyside, a close below USD 15,759 will mean it is aligned to the sell 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.
- Bullish but in a corrective phase, the MA on the RSI implies momentum weakness. However, we highlighted last week the RSI was making new lows whilst price was holding above the fractal support, meaning we had a bullish hidden divergence in play. The divergence warns that we have momentum support, meaning whilst above USD 14,960 resistance levels are considered as vulnerable. A close above the 21—period EMA (USD 16,107) it will indicate buyside pressure is increasing, warning the USD 16,835 fractal high could be tested. We do have the hidden divergence, but buyside momentum is still weak at this point, hence price needs to be above the average.

Supramax Index 3-Year Seasonality Avg/max/Min



Supramax Nov 25



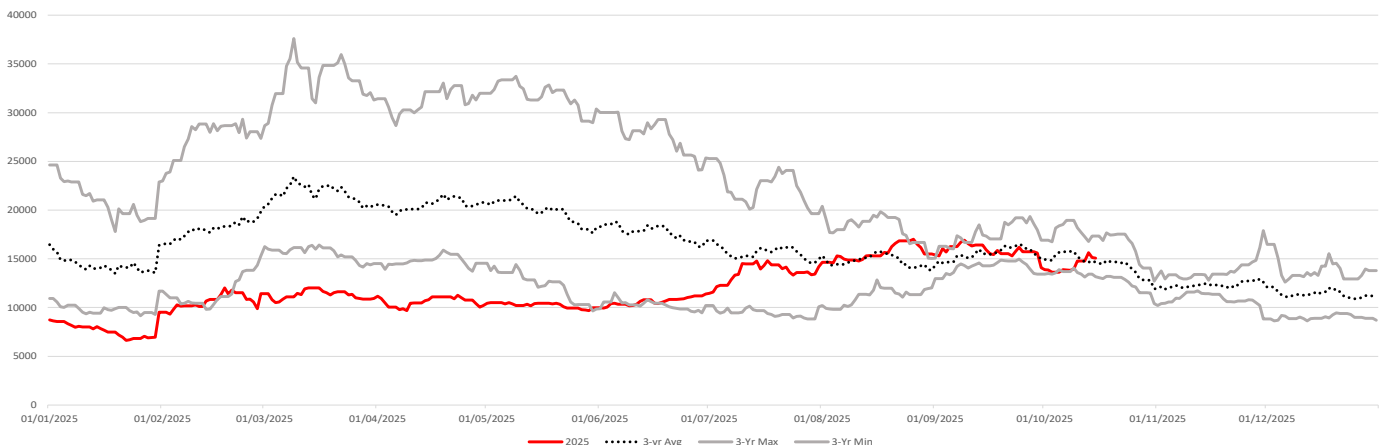
	Support	Resistance	Current Price	Bull	Bear
S1	14,425	R1	14,850		RSI below 50
S2	13,550	R2			
S3	13,375	R3			

Synopsis - Intraday

Source Bloomberg

- Price between the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is above 50
- Technically bearish last week, the MA on the RSI implied that momentum remained weak. Our Elliott wave analysis (based on the corrective phase) suggests that upside moves should be considered as countertrend, making USD 15,959 the key resistance to follow. However, we noted that this was corrective wave could be distorted due to the roll into Nov (I.E, there could be a missing wave). Above USD 15,959 the probability of price trading to a new low would start to decrease. The upside move above USD 14,025 warned that buyside pressure was increasing but working on the assumption that the wave cycle was not distorted, we remained cautious on upside moves in the near-term.
- The futures traded to a high of USD 16,125 on the Chinese – US trade spat. meaning we are now bearish with a neutral bias. The futures have sold lower but remain supported at this point. We are between the 8-21 period EMA's with the RSI near-neutral at 49.
- Downside moves that hold at or above USD 14,425 will support a near-term bull argument, below this level the technical will be back in bearish territory. Key longer-term support is at USD 12,151 (Elliott wave).
- Bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. There are some conflictions on this technical, as the upside rejection has produced a bearish island reversal pattern, suggesting caution on upside moves whilst the pattern is in play. However, the breach in the USD 15,959 resistance implies the corrective phase has completed. The confliction indicates neutrality. However, whilst above USD 14,425, resistance levels are vulnerable; conversely, if broken the technical will be back in bearish territory, warning support levels could come under pressure.

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



Supramax Q4

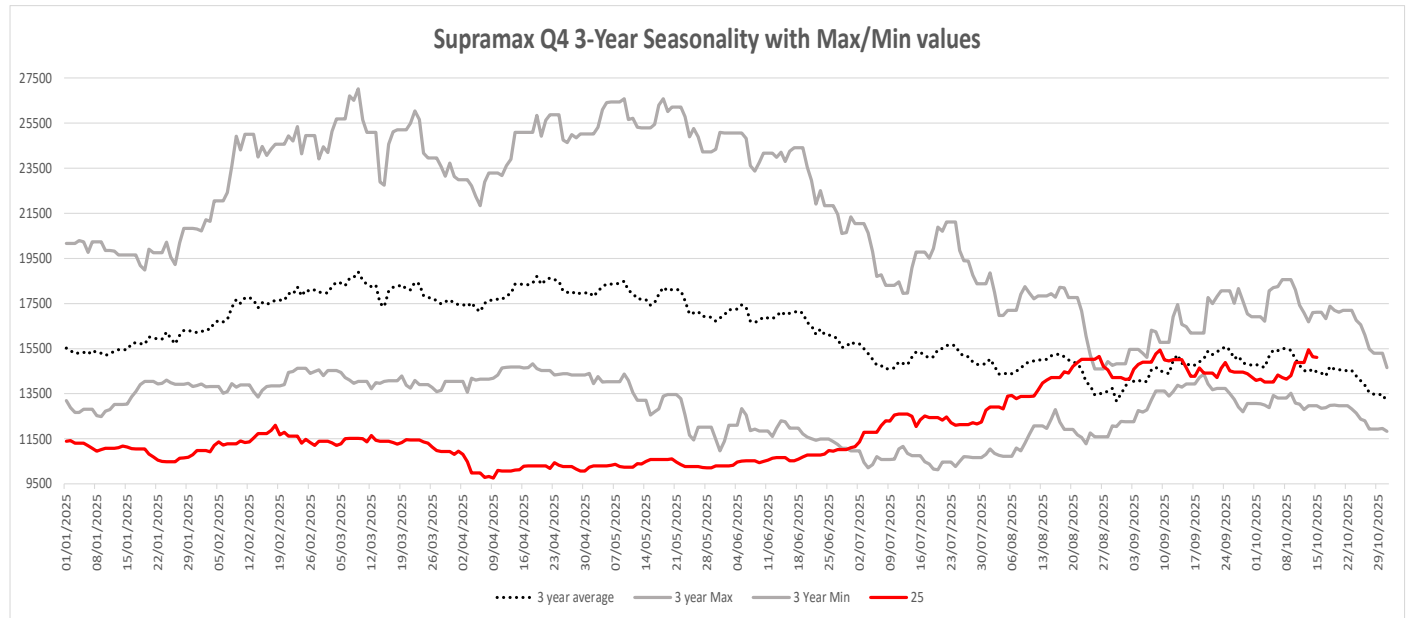


Support	Resistance	Current Price	Bull	Bear
S1	R1	15,025	RSI above 50	
S2	R2			
S3	R3			

Synopsis - above

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is oversold
- Bullish with a neutral bias last week, the futures were holding above the two standard deviation line (USD 13,976) and the 55 period MA (USD 14,111). A three wave pattern lower warned that the corrective phase had potentially completed; a move above USD 14,629 would signal buyside pressure is increasing, whilst above USD 15,097 the technical will be back in bullish territory. We were cautious on downside moves.
- The futures traded to a new high before entering a corrective phase, we are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 14,647 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the upside move to a new high confirms that the futures have entered the higher timeframe bullish impulse Elliott wave 5. Fibonacci projection levels suggest that we have a potential upside target at USD 17,733; however, the new high has failed to hold due to the negative divergence in play, resulting in a bearish rejection candle. Only a close that holds above the USD 16,050 will negate the rejection candle. Downside moves below USD 14,647 will warn that the probability of the futures trading to a new high has started to decrease. A cautious bull as the longer-term bull cycle has potentially completed.



Supramax Cal 26



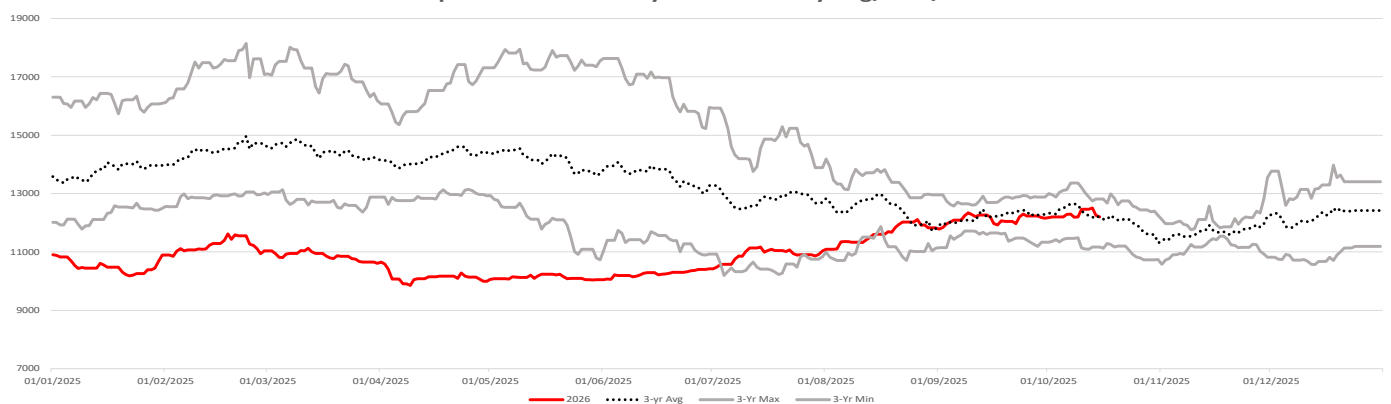
	Support	Resistance	Current Price	Bull	Bear
S1	12,157	R1	12,325	RSI above 50	Stochastic overbought
S2	12,024	R2			
S3	11,800	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (57)
- Stochastic is above 50
- Unchanged on the technical last week, we remained cautious on upside moves above USD 12,350, as the futures would be in divergence with the RSI. Elliott wave analysis continues to suggest that downside moves should be considered as countertrend, making USD 10,799 the key longer-term support to follow.
- The futures have seen a strong move higher but the move has failed to hold, resulting in price producing a bearish rejection candle. We are above the 8-21 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above USD 12,157 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the strength of the upside move last week suggest we entered the higher timeframe bullish Elliott wave 5. In theory, we have the potential to trade as high as USD 13,267; however, to achieve this, we will need to close and hold above the USD 12,850 fractal high. The upside moves has failed to hold, resulting in the futures producing a bearish rejection candle due to the negative divergence is play. The subsequent pullback below USD 12,157 means the probability of the futures trading to a new high has started to decrease. A cautious bull.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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