



Supramax Technical Report

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Index

Technical outlook: Negative divergence

We remain cautious on upside moves due to the negative divergence with the RSI. We also note that the new high has created a second negative divergence, while the swing high remains in play. It is important to note that the divergence is a condition, it is not a sell signal on its own, meaning we will need to see validation from price that buy-side momentum is weakening.

July 26

Technical outlook: Buyside pressure increasing

The RSI has positive velocity and positive acceleration having reclaimed its moving average, while the move above USD 18,780 means that the probability of price trading to a new low has started to decrease. Positive momentum alongside the breach in key resistance signals an increase in buy-side pressure, warning resistance levels are becoming vulnerable.

Q3 26

Technical Outlook: Buyside pressure increasing

We had been expecting a 3-wave corrective structure; however, the upside move above USD 18,185 warns that the probability of the futures trading to a new low has started to decrease, signaling an increase in buy-side pressure. Market longs should be cautious on a close below the low of the last dominant bull candle at USD 17,900, as it will signal that sell-side pressure is increasing. Momentum suggests that the USD 18,950 fractal high could be tested.

Cal 27

Technical outlook: Bullish Throwback

Unchanged on the technical this week. Having traded above USD 13,512 previously, the probability of price trading to a new low has decreased. However, if we close below the low of the rejection candle 26/05 at USD 13,425 it will warn that sell-side pressure is on the increase. Key support remains unchanged at USD 13,066, price is bullish above this level and neutral below.

Supramax Index



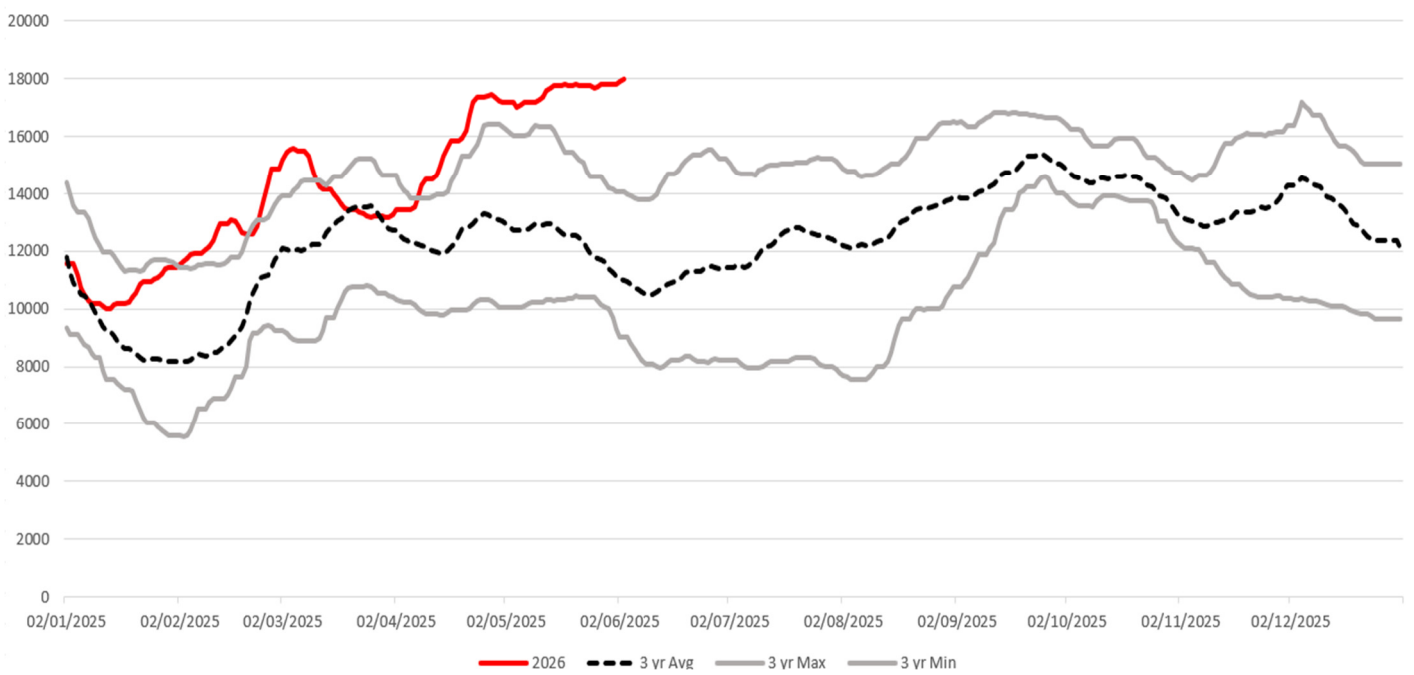
	Support	Resistance	Current Price	Bull	Bear
S1	16,018	R1	17,972	RSI above 50	Stochastic overbought
S2	14,730	R2			
S3	13,156	R3			

Synopsis - Intraday

Source Bloomberg

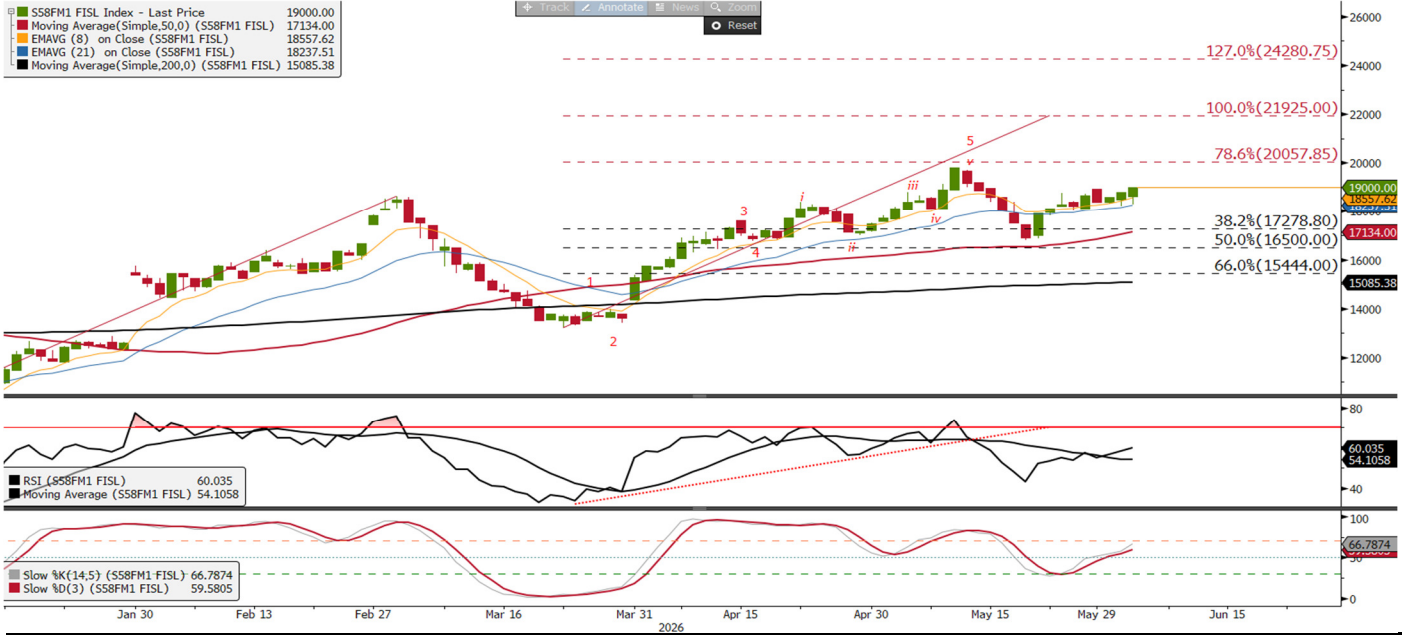
- Price is above the 8-21 period EMA's
- RSI is above 50 (78)
- Stochastic is overbought
- Technical outlook previously: Negative divergence
- Unchanged last week, we remained cautious on upside moves due to the negative divergence with the RSI. We also noted that the RSI is showing a failed swing high, implying momentum was starting to weaken.
- Price has seen very light bid support
- Momentum based on price (MBP) is aligned to the buyside, a close below USD 17,815 would mean it is aligned to the sell side. Downside moves that hold at or above USD 14,793 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Negative divergence
- We remain cautious on upside moves due to the negative divergence with the RSI. We also note that the new high has created a second negative divergence, while the swing high remains in play. It is important to note that the divergence is a condition, it is not a sell signal on its own, meaning we will need to see validation from price that buyside momentum is weakening.

Supramax Index 11 TC 3-Year Seasonality Avg/max/Min



Supramax July 26

SS8FM1 FISL Index - Last Price	19000.00
Moving Average(Simple,50,0) (SS8FM1 FISL)	17134.00
EMA(8) on Close (SS8FM1 FISL)	18557.62
EMA(21) on Close (SS8FM1 FISL)	18237.51
Moving Average(Simple,200,0) (SS8FM1 FISL)	15085.38



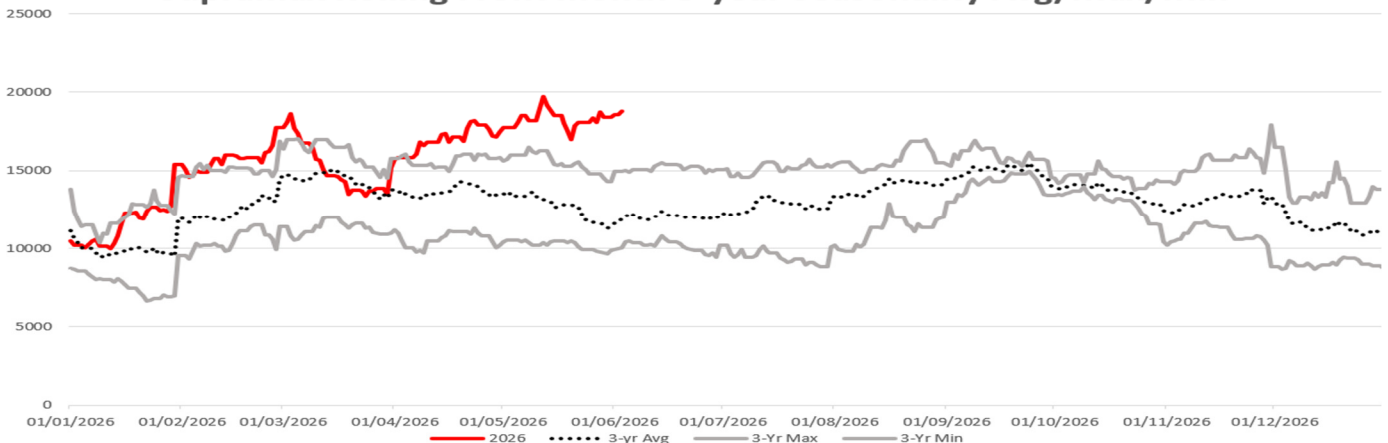
	Support	Resistance	Current Price	Bull	Bear
S1	17,278	R1	19,000	RSI above 50	
S2	16,500	R2			
S3	15,444	R3			

Synopsis - Intraday

Source Bloomberg

- Price above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is above 50
- Technical outlook previously: Inflection point
- A bearish rejection candle on the 27/05 had resulted in price failing to breach the USD 18,780 resistance, meaning technically we remained in a corrective phase. The RSI moving average implied that momentum was weak, warning support levels were still considered as vulnerable. With the candle still open it was too early to confirm the bearish close following the rejection previously. If the RSI holds the 50 level and price breaches the USD 18,780 level, then the probability of price trading to a new low would begin to decrease.
- The futures failed to produce a bearish close below the low of the rejection candle, resulting in a small move higher. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 15,444 would support a longer-term bull argument, below this level the technical would have a neutral bias.
- Technical outlook: Buyside pressure increasing
- The RSI has positive velocity and positive acceleration having reclaimed its moving average, while the move above USD 18,780 means that the probability of price trading to a new low has started to decrease. Positive momentum alongside the breach in key resistance signals an increase in buyside pressure, warning resistance levels are becoming vulnerable.

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



Supramax Q3 26



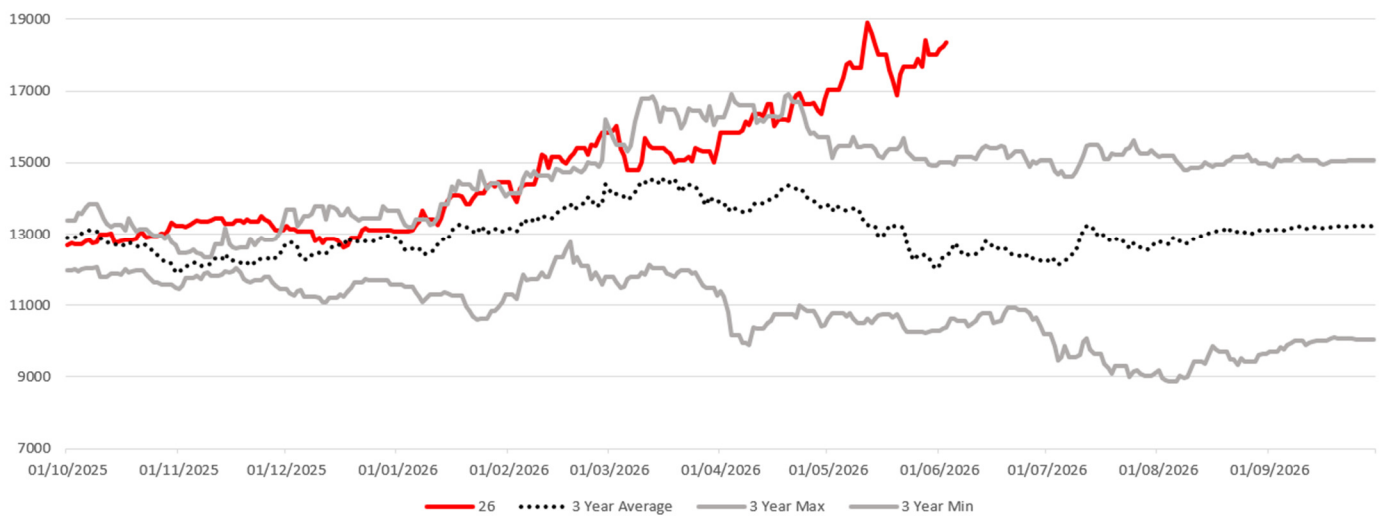
Support		Resistance		Current Price	Bull	Bear
S1	16,569	R1	19,087	18,650	RSI above 50	
S2	15,804	R2	19,650			
S3	15,201	R3	20,453			

Synopsis - above

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is above 50
- Technical Outlook Previously: Bullish throwback
- As highlighted previously, corrections tend to consist of 3-waves, this suggested that the upside move looked to be a wave B, within an A, B, C pattern. Key resistance was at USD 18,185; if rejected, the probability of price entering a bearish corrective wave C would increase. Conversely, a breach in the USD 18,185 resistance would reduce the probability of price trading to a new low.
- Having consolidated for a few days the futures have seen a move higher, resulting in the USD 18,185 resistance being broken. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 15,804 will support a longer-term bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Buyside pressure increasing
- We had been expecting a 3-wave corrective structure; however, the upside move above USD 18,185 warns that the probability of the futures trading to a new low has started to decrease, signaling an increase in buyside pressure. Market longs should be cautious on a close below the low of the last dominant bull candle at USD 17,900, as it will signal that sell side pressure is increasing. Momentum suggest that the USD 18,950 fractal high could be tested.

Supramax Q3 3-Year Seasonality with Max/Min Values



Supramax Cal 27



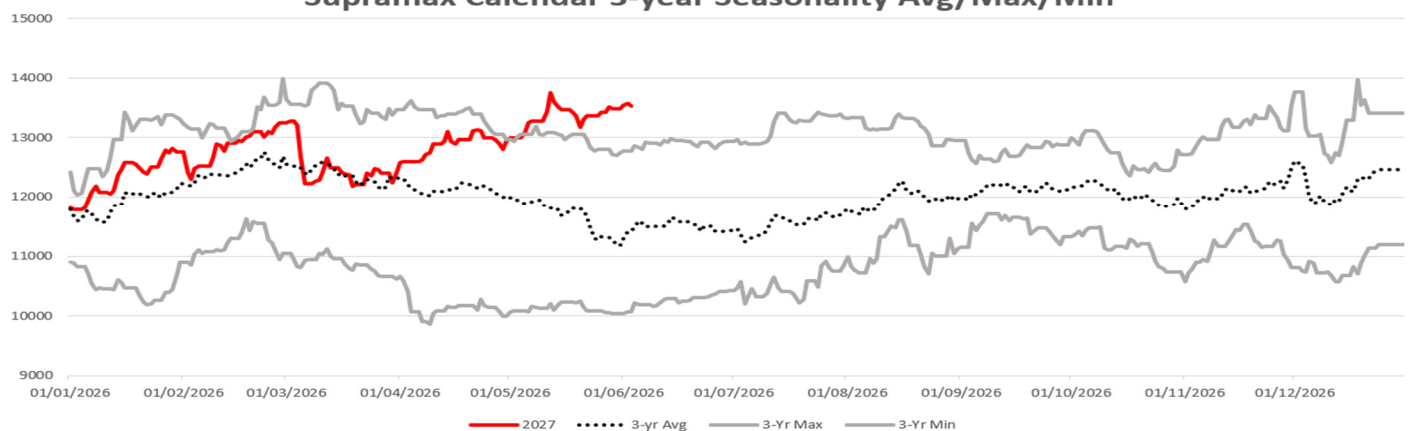
	Support	Resistance	Current Price	Bull	Bear
S1	13,066	R1	13,875	RSI above 50	Stochastic overbought
S2	12,862	R2	14,185		
S3	12,586	R3	14,450		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Technical outlook previously: Bullish Throwback
- We noted last week that the futures had traded above USD 13,512, suggesting the probability of price trading to a new low had started to decrease. However, we had seen an upside rejection candle on the 26/05, if we closed below the low of this candle at USD 13,425 it would warn that sell side pressure was on the increase. Key support remained unchanged at USD 13,066, price was bullish above this level and neutral below.
- The futures are consolidating above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 12,586 will support a longer-term bull argument.
- Technical outlook: Bullish Throwback
- Unchanged on the technical this week. Having traded above USD 13,512 previously, the probability of price trading to a new low has decreased. However, if we close below the low of the rejection candle 26/05 at USD 13,425 it will warn that sell side pressure is on the increase. Key support remains unchanged at USD 13,066, price is bullish above this level and neutral below.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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