



Supramax Technical Report

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Index

Technical outlook: Supported

The upside move to new highs has RSI support, while the stochastic is at its upper level at 100. The bullish momentum confirmation and the momentum extreme (stochastic) confirm price is in a trending environment, suggesting downside moves should be considered as countertrend. Market buyers should be cautious on a close below the weekly pivot at USD 18,526, as it will warn that sellers are starting to dominate.

July 26

Technical outlook: momentum weakening

The RSI has closed below its trend support line while price is now also below its support line at USD 19,803; if we close and hold below the USD 19,803 level, it will warn that the USD 17,973 support could come under pressure. If broken, then the probability of the futures trading to a new high will begin to decrease. The trend support is becoming an inflection point, as price is divergent with the RSI, while momentum is starting to signal weakness. We are currently cautious on higher moves at these levels.

Q3 26

Technical Outlook: Weakening momentum

The RSI remains in divergence and has now closed below its trend support line, warning sell side momentum is starting to weaken. The futures are trading below the trend support line at USD 19,487, a close and hold below the line will confirm that momentum is weakening. Failure to close below the trend support will suggest caution, as confirmation only comes from price, momentum is the warning.

Cal 27

Technical outlook: Negative RSI divergence

Unchanged on the technical this week, the upside move to a new high means we continue to have two negative divergences in play. These are not sell signals, they are warnings that we could see a momentum slowdown, which need to be monitored. Market longs should be cautious on a close below the trend support line at USD 13,594, as it will warn that sell side pressure is on the increase.

Supramax Index



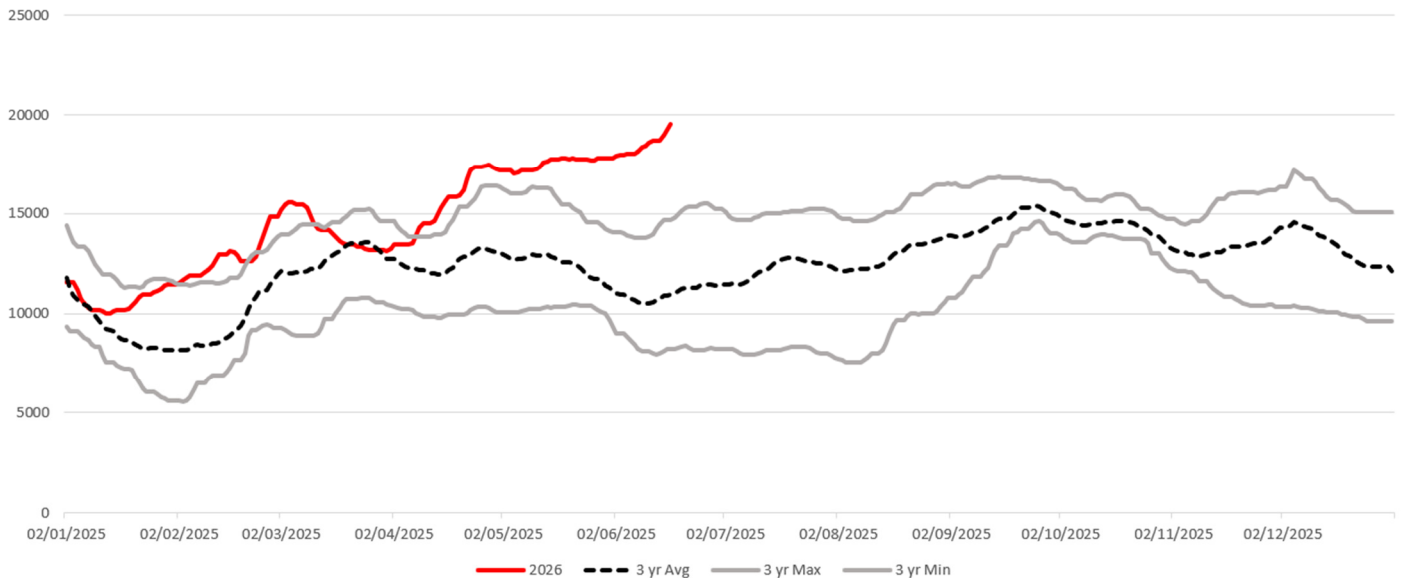
Support	Resistance	Current Price	Bull	Bear
S1	R1	19,524	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (93)
- Stochastic is overbought
- Technical outlook previously: Supported
- We noted last week that although the original divergence remained in play, the second negative divergence highlighted previously had failed, meaning we had bullish momentum confirmation in the near-term. This suggested that resistance levels were vulnerable. Market longs should be cautious on a close below the weekly pivot level at USD 17,959 as it would warn that market sellers were becoming dominant.
- The index moved higher on the strengthening momentum, resulting in the longer-term divergence failing. We are above all key moving averages supported by the RSI above 50.
- Momentum based on price (MBP) is aligned to the buy side, a close below USD 18,871 would mean it is aligned to the sell side. Downside moves that hold at or above USD 15,321 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Supported
- The upside move to new highs has RSI support, while the stochastic is at its upper level at 100. The bullish momentum confirmation and the momentum extreme (stochastic) confirm price is in a trending environment, suggesting downside moves should be considered as countertrend. Market buyers should be cautious on a close below the weekly pivot at USD 18,526, as it will warn that sellers are starting to dominate.

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



Supramax July 26



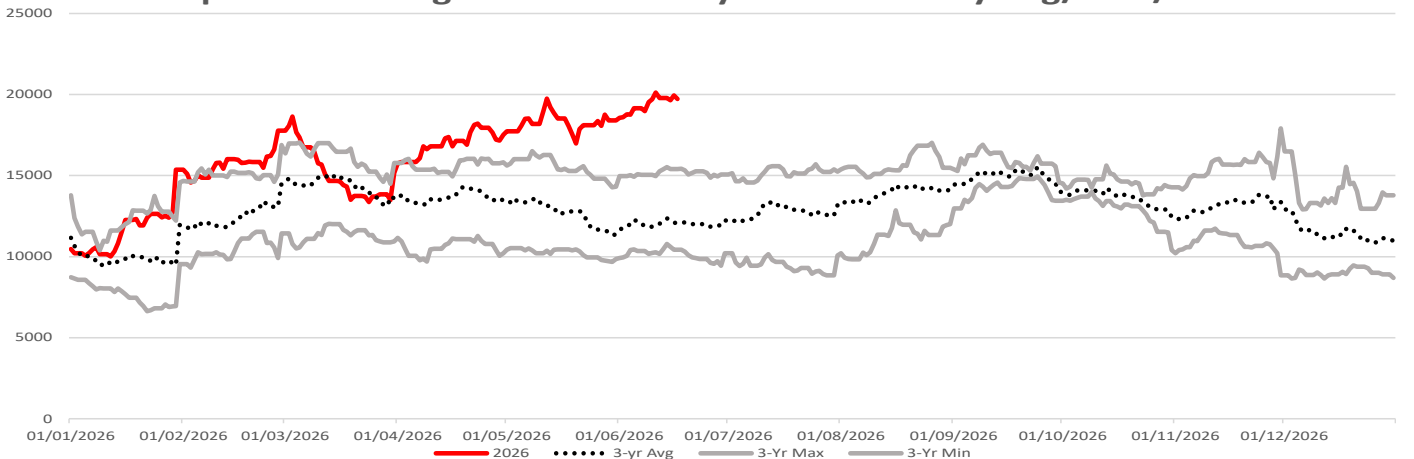
	Support	Resistance	Current Price	Bull	Bear
S1	18,932	R1	19,575	RSI above 50	Stochastic overbought
S2	17,973	R2			
S3	16,800	R3			

Synopsis - Intraday

Source Bloomberg

- Price above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Technical outlook previously: Negative RSI divergence
- The upside moves to a new high last week had resulted in a negative RSI divergence; however, the intraday 4-hour RSI had made new highs, warning that there remained an underlying support in the market at that point. If the RSI broke trend support (highlighted), it would warn that we could see a momentum slowdown. Confirmation of weakening price action would come from a close below the trend support line which was at USD 18,965. At that point, price and momentum were above their trend lines and therefore supported.
- The futures remain supported, but we have seen a small pullback. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 15,17,973 would support a longer-term bull argument, below this level the technical would have a neutral bias.
- Technical outlook: momentum weakening
- The RSI has closed below its trend support line while price is now also below its support line at USD 19,803; if we close and hold below the USD 19,803 level, it will warn that the USD 17,973 support could come under pressure. If broken, then the probability of the futures trading to a new high will begin to decrease. The trend support is becoming an inflection point, as price is divergent with the RSI, while momentum is starting to signal weakness. We are currently cautious on higher moves at these levels.

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



Supramax Q3 26



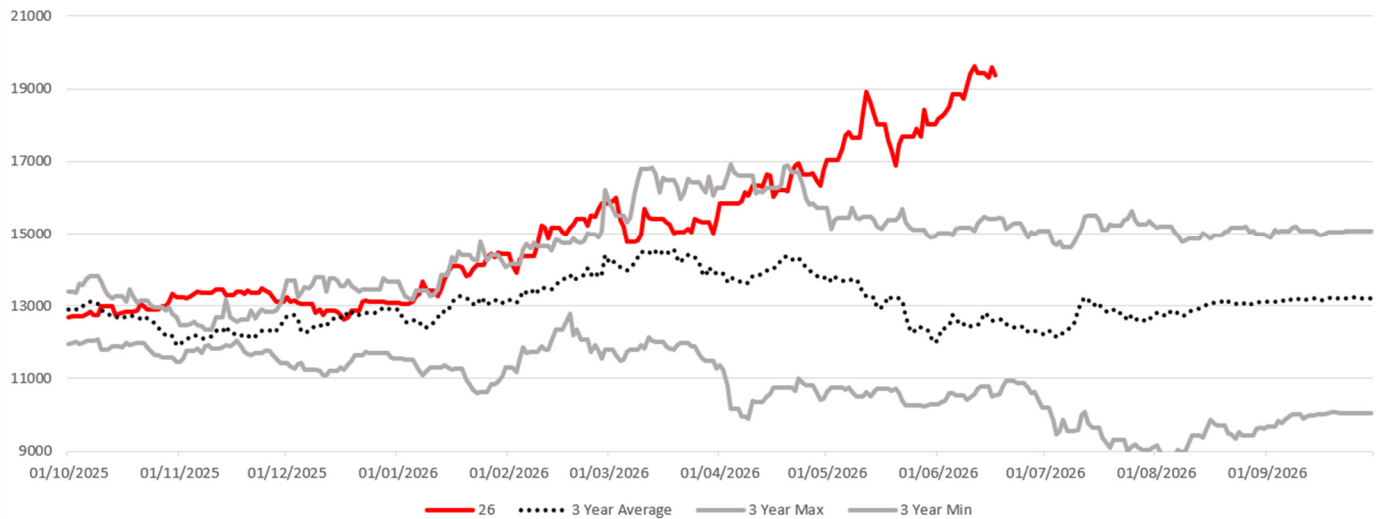
Support		Resistance		Current Price	Bull	Bear
S1	18,551	R1	19,650	19,275	RSI above 50	Stochastic overbought
S2	18,196	R2	20,453			
S3	17,716	R3	21,475			

Synopsis - above

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Technical Outlook Previously: Negative RSI divergence
- The upside move to a new high last week meant that we had a negative divergence in play. This was not a sell signal, it warned that we could see a momentum slowdown. If the RSI broke trend support it would warn that momentum was starting to show signs of weakness. Confirmation of weakening price action would come from a close below the trend support line which was currently at USD 18,719. At that point, price and momentum were above their trend lines, and therefore supported.
- The futures traded to a high of USD 20,250 before seeing bids fade a little. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 17,716 will support a longer-term bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Weakening momentum
- The RSI remains in divergence and has now closed below its trend support line, warning sell side momentum is starting to weaken. The futures are trading below the trend support line at USD 19,487, a close and hold below the line will confirm that momentum is weakening. Failure to close below the trend support will suggest caution, as confirmation only comes from price, momentum is the warning.

Supramax Q3 3-Year Seasonality with Max/Min Values



Supramax Cal 27



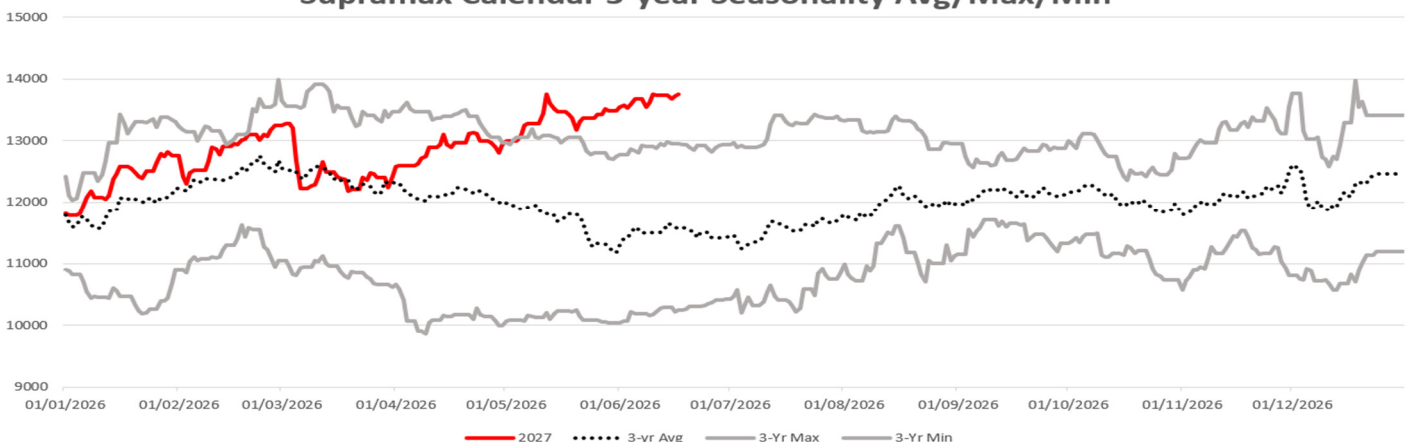
	Support	Resistance	Current Price	Bull	Bear
S1	13,532	R1	13,875	RSI above 50	Stochastic overbought
S2	13,321	R2	14,185		
S3	13,100	R3	14,450		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Technical outlook previously: Negative RSI divergence
- The upside move to a new high meant that we had two negative divergences in play. These were not sell signals, they were warning that we could see a momentum slowdown, which would need to be monitored. Market longs should be cautious on a close below the trend support line at USD 13,528, as it would warn that sell side pressure is on the increase.
- The futures have traded to new highs, we are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 13,338 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Negative RSI divergence
- Unchanged on the technical this week, the upside move to a new high means we continue to have two negative divergences in play. These are not sell signals, they are warnings that we could see a momentum slowdown, which need to be monitored. Market longs should be cautious on a close below the trend support line at USD 13,594, as it will warn that sell side pressure is on the increase.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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