



Supramax Technical Report

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Index

Technical outlook: bullish throwback

Having highlighted the bullish momentum previously, price is now finding bid support; however, the move lower resulted in the RSI making a new low, price did not, meaning we also have a bullish reversal pattern in play, suggesting the USD 19,681 fractal high could be tested and broken. We maintain a cautious approach to lower moves at this point, providing we hold above USD 15,374 support. Note: a new high will create a negative divergence with the RSI, this is a condition that warns buyside momentum could slow down. It is important to note that confirmation from price is needed to confirm that momentum is weakening.

Aug 26

Technical outlook: Neutral

There is evidence of bid support in the market due to price and the RSI both breaking resistance lines. However, the pullback previously below USD 17,973 warns that the probability of price trading to a new high had started to decrease. We also have an issue with the 19,400 low on 08/07 (highlighted black circle), as it breached the USD 19,450 fractal support, meaning the structure of the upside move looks like it be countertrend, rather than impulse. This technical is conflicting, the structure suggests caution on higher moves; however, a weekly support candle, while price and the RSI breaking trend resistance, warns we move higher, the conflict means we are neutral.

Q4 26

Technical Outlook: Buyside pressure increasing

The pullback in the Q4 futures has held the USD 16,376 level, supporting a bull argument. We also note that price has broken key resistance at USD 17,851, implying buyside pressure is increasing. The RSI is going to need to move and hold above the 60 level; if we do, then momentum would suggest that we trade to new highs. Conversely, market buyers should act with caution to bearish price action if the RSI rejects the 60 level.

Cal 27

Technical outlook: buyside pressure increasing

The upside move to a new high is replicated by the RSI, meaning we have bullish momentum support, we also note that the RSI is breaching the 70 level. With price in a trending environment, the RSI move above 70 signals momentum strength, not an overbought scenario, suggesting downside moves should be considered as countertrend, providing we hold above the USD 13,474 level. Below USD 13,474, the probability of price trading to a new high will begin to decrease. A close and hold below the trend support line at USD 14,046 will signal price is entering a corrective phase.

Supramax Index



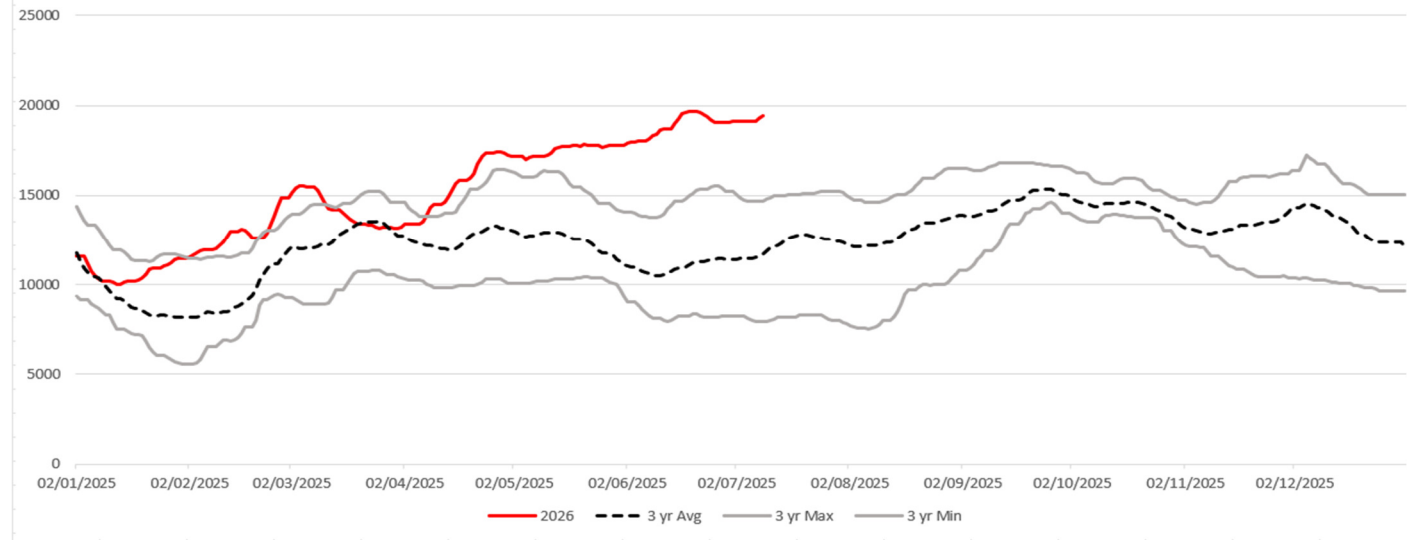
Support	Resistance	Current Price	Bull	Bear
S1	R1	19,456	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (73)
- Stochastic is oversold
- Technical outlook previously: bullish throwback
- We noted previously that the index had entered a corrective phase with price closing below the weekly pivot level at USD 19,456, implying sell side pressure was on the increase. However, price and momentum have both recently made new highs, indicating bullish momentum confirmation, suggesting downside moves have the potential to be countertrend, providing we hold above the USD 15,374 level.
- The index traded to a low of USD 19,042 before finding light bid support. We are above all key moving averages supported by the RSI above 50.
- Momentum based on price (MBP) is aligned to the buyside, a close below USD 19,170 would mean it is aligned to the sell side. Downside moves that hold at or above USD 15,374 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: bullish throwback
- Having highlighted the bullish momentum previously, price is now finding bid support; however, the move lower resulted in the RSI making a new low, price did not, meaning we also have a bullish reversal pattern in play, suggesting the USD 19,681 fractal high could be tested and broken. We maintain a cautious approach to lower moves at this point, providing we hold above USD 15,374 support. Note: a new high will create a negative divergence with the RSI, this is a condition that warns buyside momentum could slow down. It is important to note that confirmation from price is needed to confirm that momentum is weakening.

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



Supramax Aug 26



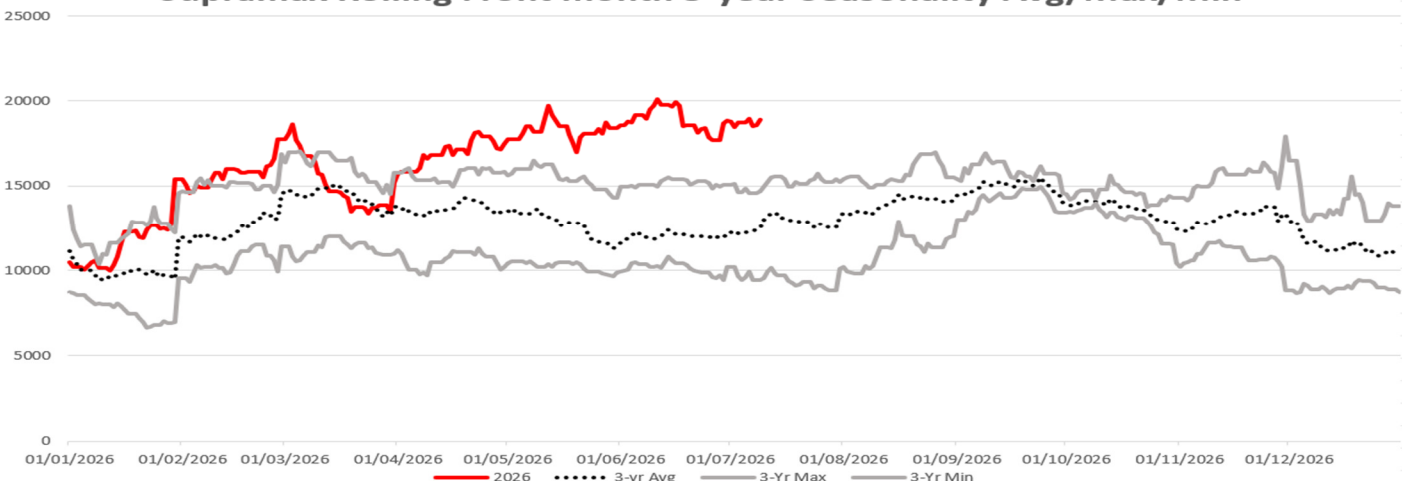
	Support	Resistance	Current Price	Bull	Bear
S1	17,973	R1	18,875	RSI above 50	
S2	17,538	R2			
S3	16,800	R3			

Synopsis - Intraday

Source Bloomberg

- Price above the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is above 50
- Technical outlook previously: Caution on higher moves
- The downside move previously had breached the USD 17,973 support, implying that the probability of the futures trading to a new high had started to decrease, suggesting caution on upside moves in the near-term. We identify USD 19,408 as the key resistance to follow; if breached the futures would re-enter bullish territory. Conversely, if rejected, support levels would come under further pressure.
- The futures have seen a small move higher, we are above all key moving averages supported by the RSI above 50.
- Upside moves that fail at or below USD 19,408 will leave the futures vulnerable to further tests to the downside.
- Technical outlook: Neutral
- There is evidence of bid support in the market due to price and the RSI both breaking resistance lines. However, the pullback previously below USD 17,973 warns that the probability of price trading to a new high had started to decrease. We also have an issue with the 19,400 low on 08/07 (highlighted black circle), as it breached the USD 19,450 fractal support, meaning the structure of the upside move looks like it be countertrend, rather than impulse. This technical is conflicting, the structure suggests caution on higher moves; however, a weekly support candle, while price and the RSI breaking trend resistance, warns we move higher, the conflict means we are neutral.

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



Supramax Q4 26



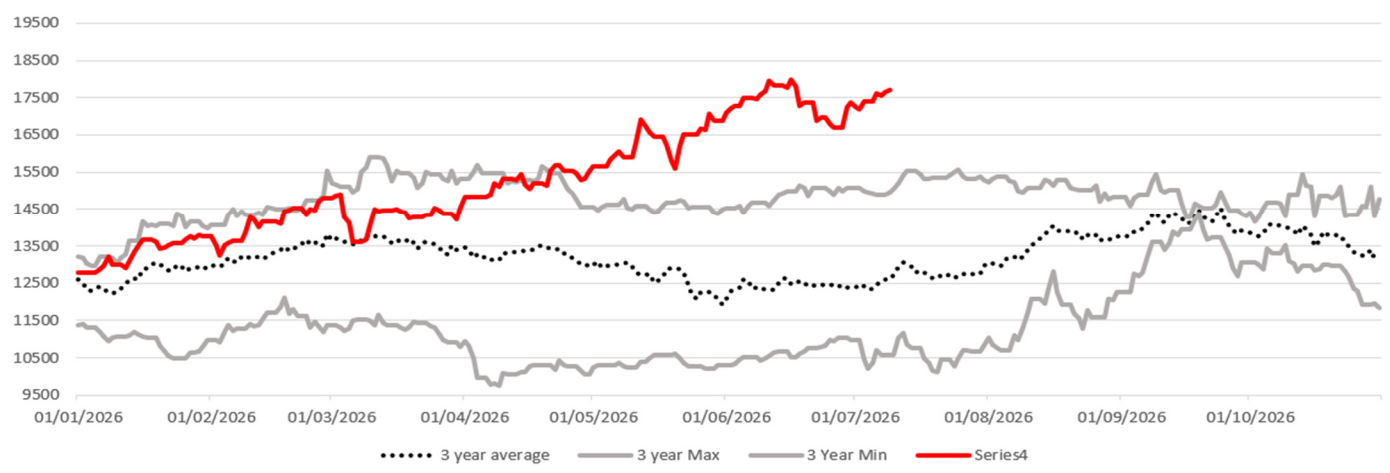
	Support	Resistance	Current Price	Bull	Bear
S1	16,376	R1	17,782	RSI above 50	Stochastic overbought
S2	16,042	R2	18,125		
S3	15,475	R3	18,435		

Synopsis - above

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is above 50
- Technical Outlook Previously: Caution on upside moves
- We noted last week that the downside move had breached the USD 17,716 support, implying that in theory the probability of the futures trading to a new high has started to decrease, suggesting caution on upside moves while below the USD 18,935 resistance. Price was testing but holding above a rising 55-period simple moving average at USD 17,661, technically, this held more weight than the USD 17,716 Fibonacci support. Market sellers should be cautious of bid support while above the average, as it will leave resistance levels vulnerable. Conversely, a close and hold below it would signal downside continuation.
- The Q3 futures held above the 55-period EMA resulting in price trading above the USD 18,935 Fibonacci resistance, meaning the futures have re-entered bullish territory. We have now rolled to the Q4 contract, where price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 16,376 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Buyside pressure increasing
- The pullback in the Q4 futures has held the USD 16,376 level, supporting a bull argument. We also note that price has broken key resistance at USD 17,851, implying buyside pressure is increasing. The RSI is going to need to move and hold above the 60 level; if we do, then momentum would suggest that we trade to new highs. Conversely, market buyers should act with caution to bearish price action if the RSI rejects the 60 level.

Supramax Q4 3-Year Seasonality with Max/Min values



Supramax Cal 27



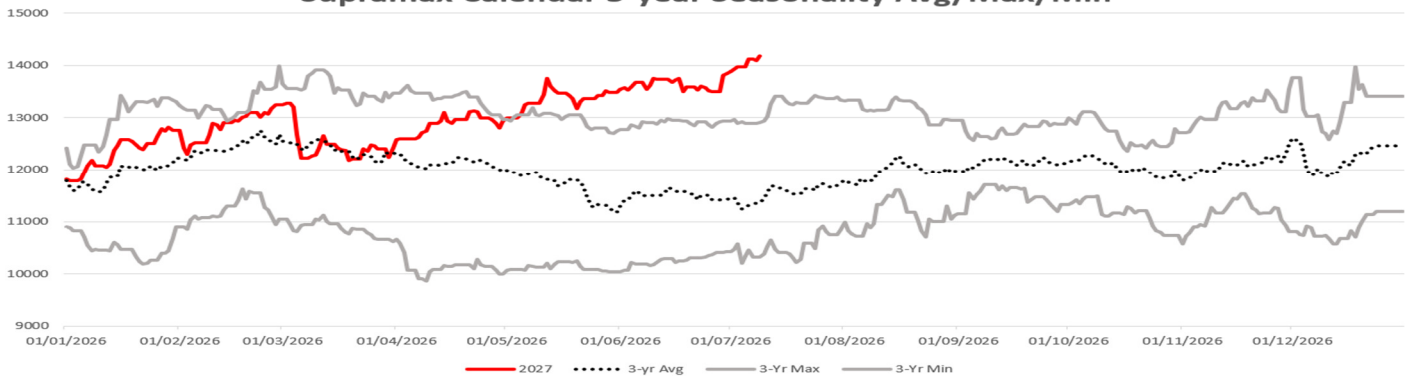
	Support	Resistance	Current Price	Bull	Bear
S1	14,046	R1	14,185	RSI above 50	Stochastic overbought
S2	13,379	R2	14,450		
S3	13,474	R3	14,585		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (70)
- Stochastic is below 50
- Technical outlook previously: Sell side pressure increasing
- We noted two weeks ago that price was moving lower on a negative divergence with the RSI, having seen the RSI reject the 60 level, implying momentum was weakening. The close below the trend support line confirmed that momentum had weakened, warning the USD 13,388 support could be tested. Sellers should be cautious on a close back above the trend line, as it would signal underlying support in the market.
- The futures sold to a low of USD 13,375 before trading to new highs, meaning price held above key support, resulting in a move to new highs. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 13,474 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: buy-side pressure increasing
- The upside move to a new high is replicated by the RSI, meaning we have bullish momentum support, we also note that the RSI is breaching the 70 level. With price in a trending environment, the RSI move above 70 signals momentum strength, not an overbought scenario, suggesting downside moves should be considered as countertrend, providing we hold above the USD 13,474 level. Below USD 13,474, the probability of price trading to a new high will begin to decrease. A close and hold below the trend support line at USD 14,046 will signal price is entering a corrective phase.

Supramax Calendar 3-year Seasonality Avg/Max/Min



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