FIS

Supramax Technical Report

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Index

Technical outlook: Supported

Both price and the RSI have made new highs, signaling bullish momentum confirmation, implying the market is supported at this point, warning the USD 21,214 resistance is vulnerable. Market buyers should act with caution on a close below the weekly pivot level at USD 19,540, as this would also put the futures below the trend support line at USD 19,572, signaling sell side pressure was increasing.

Oct 26

Technical outlook: caution on lower moves

The futures are testing a previous resistance zone that is highlighted on the chart. Although we have seen a small breach in the USD 20,765 support, we have a note of caution on downisde moves while above the support zone highlighted. If support holds, it will signal a change in polarity, warning resistance could come back under pressure. Conversely, caution is warranted on a close and hold below USD 20,250 level, as it will signal sell side pressure is increasing.

Q4 26

Technical Outlook: Positive reversal pattern

The futures have closed below the trend support line at USD 20,990, resulting in a minor breach in the USD 20,417 support. However, the positive reversal pattern remains in play above USD 20,000, meaning we maintain a note of caution on lower moves at these levels, as the pattern warns of momentum support. If the futures reclaim the trend resistance line, then resistance levels will become vulnerable. Conversely, throwbacks below USD 20,000 will result in bearish momentum confirmation, signaling sell side pressure is increasing.

Cal 27

Technical outlook: Downside moves considered as countertrend

Unchanged on the technical again this week. Due to bullish Elliott wave extension highlighted previously we maintain our view that downside moves should be considered as countertrend. A close below the low of the last dominant bull candle at USD 16,100 would warn that price has entered a corrective phase. Key near-term support is at USD 15,538, throwbacks that breached this level would suggest we were entering a higher timeframe corrective phase; at this point, USD 14,535 would become the next support to monitor. With the RSI making new lows while price is not, we have a positive reversal pattern in play that suggests caution on lower moves.

Supramax Index

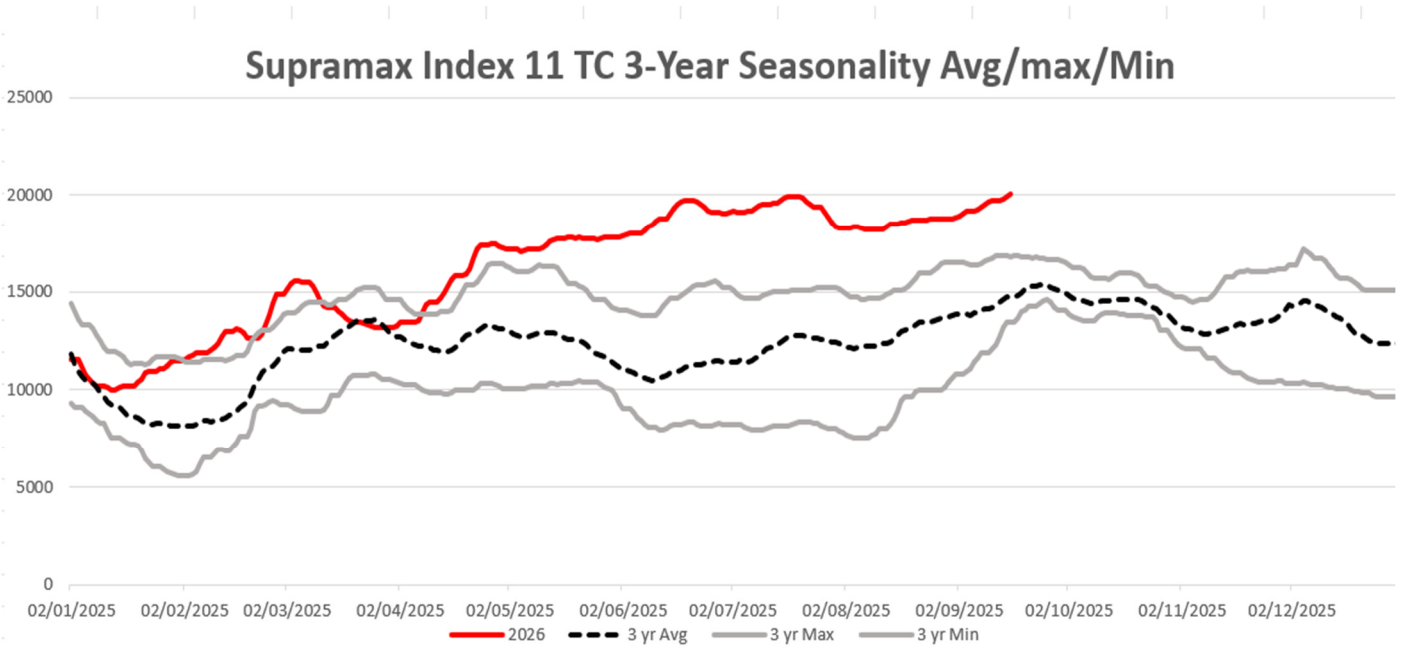


Support		Resistance		Current Price	Bull	Bear
S1	19,572	R1	21,214	20,063	RSI above 50	Stochastic overbought
S2	19,360	R2	24,240			
S3	18,849	R3	25,496			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (88)
- Stochastic is overbought
- Technical outlook previously: Buyside pressure increasing
- We noted last week that the index was above the trend support line having reclaimed the 50-period SMA at USD 18,954, signaling buyside pressure was increasing. The RSI was above 70, meaning momentum was supporting the move higher, implying the USD 19,931 fractal high was vulnerable. Technically supported, market buyers should act with caution on a close and hold back below the trend line at USD 19,235, as failure to hold the support line would indicate momentum based on price was weakening.
- The index has traded at new highs, 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 19,725 would mean it is aligned to the sell side. Downside moves that hold at or above USD 18,849 would support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Supported
- Both price and the RSI have made new highs, signaling bullish momentum confirmation, implying the market is supported at this point, warning the USD 21,214 resistance is vulnerable. Market buyers should act with caution on a close below the weekly pivot level at USD 19,540, as this would also put the futures below the trend support line at USD 19,572, signaling sell side pressure was increasing.



Supramax Oct 26

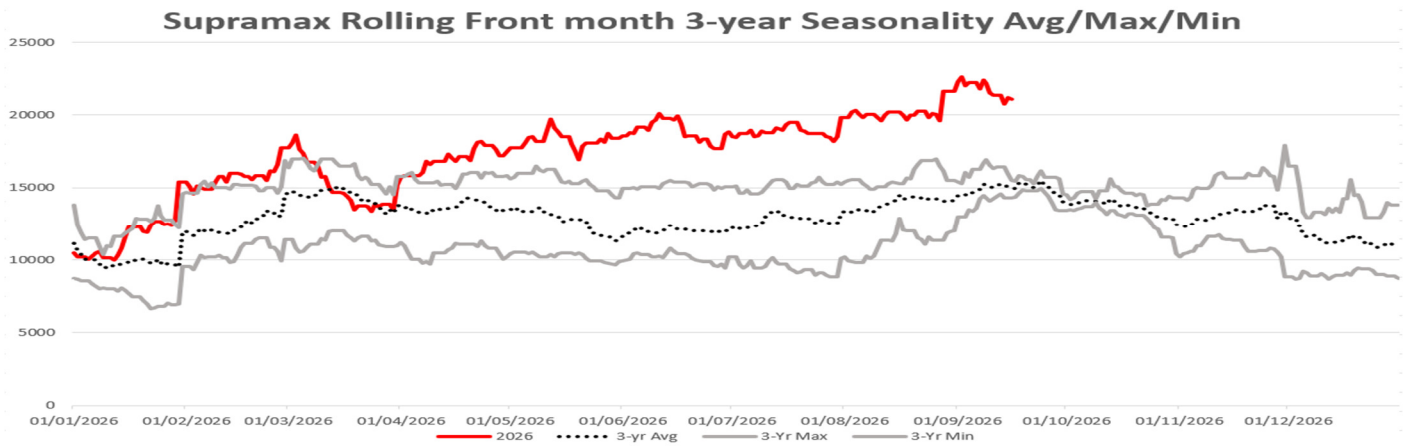


Support		Resistance		Current Price	Bull	Bear
S1	20,765	R1	22,300	21,100	RSI above 50	
S2	20,315	R2	23,125			
S3	19,550	R3	23,728			

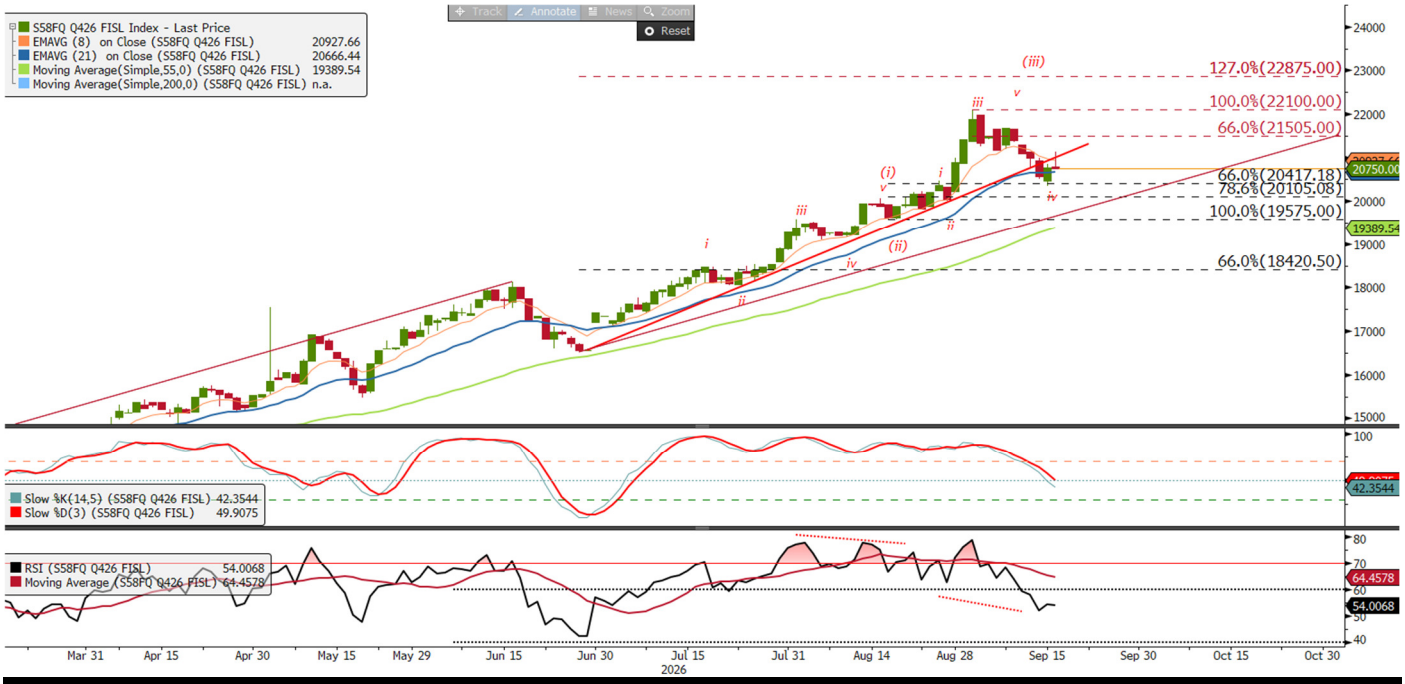
Synopsis - Intraday

Source Bloomberg

- Price between the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Technical outlook previously: Downside moves considered as countertrend
- The upside move on the 08/09/26 had failed to trade above the USD 22,666 resistance. This was a key level on the technical; if breached, then the probability of price trading at a new low would begin to decrease, warning resistance levels could be tested. Conversely, a close below USD 21,775 (the bull candle from the 08/09) would imply we were looking at a more complex corrective phase, warning the USD 21,337 and USD 20,765 support levels could come under pressure. We identify USD 20,765 as the key support to follow, as our Elliott wave analysis continued to suggest that downside moves should be considered as countertrend. A move below USD 20,765 would be considered as deep into the last bull wave, this would weaken the bullish Elliott wave cycle.
- The futures closed below the USD 21,775 level resulting in a minor breach in the USD 20,765 support. Price is between the 8-21 period EMA's with the RSI near-neutral at 51.
- Upside moves that fail at or below USD 22,300 will leave the futures vulnerable to further tests to the downside, above this level the technical will re-enter bullish territory.
- Technical outlook: caution on lower moves
- The futures are testing a previous resistance zone that is highlighted on the chart. Although we have seen a small breach in the USD 20,765 support, we have a note of caution on downisde moves while above the support zone highlighted. If support holds, it will signal a change in polarity, warning resistance could come back under pressure. Conversely, caution is warranted on a close and hold below USD 20,250 level, as it will signal sell side pressure is increasing.



Supramax Q4 26

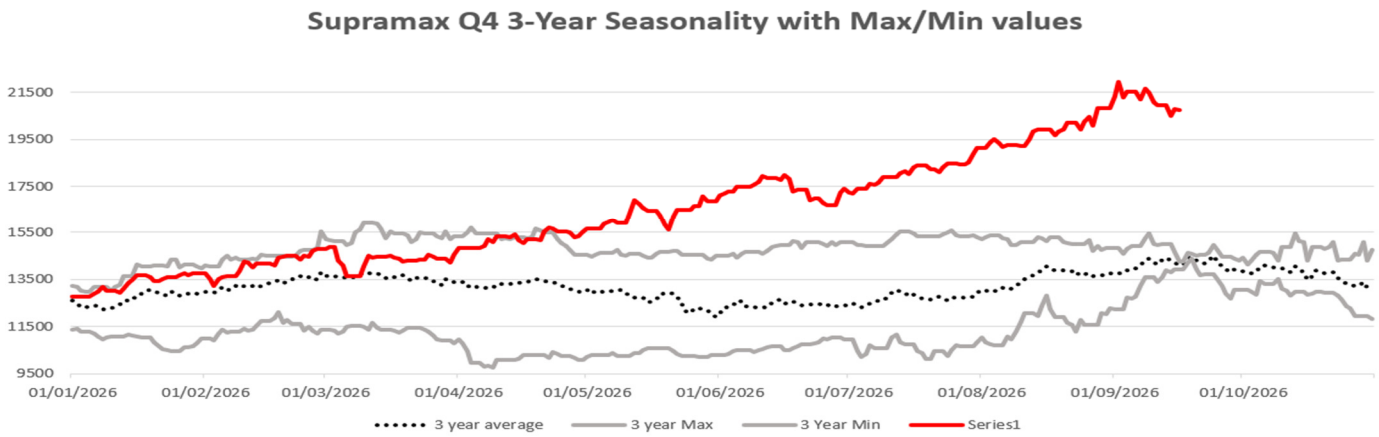


Support		Resistance		Current Price	Bull	Bear
S1	20,417	R1	20,990	20,750	RSI above 50	
S2	20,105	R2	21,505			
S3	19,575	R3	22,100			

Synopsis - above

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (54)
- Stochastic is above 50
- Technical Outlook Previously: Downside moves considered as countertrend.
- The futures had entered a small corrective phase last week with key near-term support at USD 20,417, throwbacks that held at or above this level would support a near-term bull argument, leaving the USD 22,100 fractal high vulnerable. Conversely, moves below this level would signal a higher timeframe correction; at that point, the USD 18,420 become the next key support to monitor. The RSI was moving lower faster than price, if it moves below 62.5 before price trades below USD 20,000 it would create a positive reversal pattern. This would support our Elliott wave analysis, as it would warn of potential underlying strength in the market. Due to the positive reversal pattern, we had a note of caution on lower moves at that point.
- The futures sold to a low of USD 20,350 before finding light bid support. We are between the 8-21 period EMA's with the RSI above 50.
- Upside moves that fail at or below USD 21,505 will leave the futures vulnerable to further tests to the downside, above this level the technical will re-enter bullish territory.
- Technical Outlook: Positive reversal pattern
- The futures have closed below the trend support line at USD 20,990, resulting in a minor breach in the USD 20,417 support. However, the positive reversal pattern remains in play above USD 20,000, meaning we maintain a note of caution on lower moves at these levels, as the pattern warns of momentum support. If the futures reclaim the trend resistance line, then resistance levels will become vulnerable. Conversely, throwbacks below USD 20,000 will result in bearish momentum confirmation, signaling sell side pressure is increasing.



Supramax Cal 27

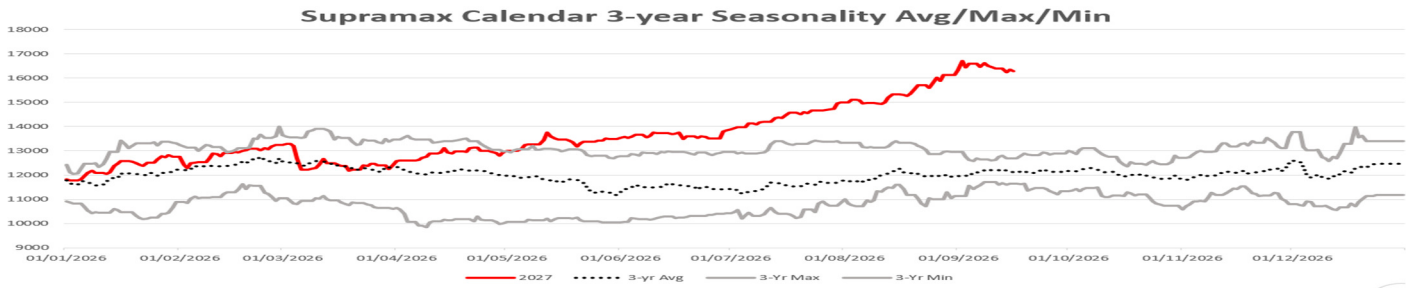


Support		Resistance		Current Price	Bull	Bear
S1	16,080	R1	16,957	16,275	RSI above 50	Stochastic overbought
S2	15,850	R2	17,412			
S3	15,538	R3	18,275			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (63)
- Stochastic is above 50
- Technical outlook previously: Downside moves considered as countertrend
- Unchanged on the technical last week due to the lack of price movement. Having seen a bullish Elliott wave extension previously we maintained our view that downside moves should be considered as countertrend. A close below the low of the last dominant bull candle at USD 16,100 would warn that price had entered a corrective phase. Key near-term support was at USD 14,538 (correction USd 15,538), throwbacks that breached this level would suggest we were entering a higher timeframe corrective phase; at this point, USD 14,535 would become the next support to monitor.
- The futures have seen a small move lower but we remain above the Fibonacci support zone. We are between the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 15,538 would support a bull argument, below this level the technical would suggest that the futures are entering a higher timeframe corrective phase.
- Technical outlook: Downside moves considered as countertrend
- Unchanged on the technical again this week. Due to bullish Elliott wave extension highlighted previously we maintain our view that downside moves should be considered as countertrend. A close below the low of the last dominant bull candle at USD 16,100 would warn that price has entered a corrective phase. Key near-term support is at USD 15,538, throwbacks that breached this level would suggest we were entering a higher timeframe corrective phase; at this point, USD 14,535 would become the next support to monitor. With the RSI making new lows while price is not, we have a positive reversal pattern in play that suggests caution on lower moves.



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