

FIS Panamax Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

FIS Panamax Technical Report

Synopsis:

Index

Last week we highlighted the deep pullback had taken the technical into a neutral phase. We also highlighted the bullish hidden divergence with the RSI was warning of the potential for a momentum slowdown, which has been the case. Price is closing higher indicating bullish momentum with near-term resistance starting at USD 12,144. However upside moves that fail at or below the USD 13,464 level remain vulnerable to further tests to the downside.

OCT

The October futures are technically bearish below USD 13,050 but neutral due to the depth of the current pullback and the flat EMA's. Upside moves that fail at or below the USD 13,489 Fibonacci resistance do remain vulnerable to further tests to the downside. The current daily candle is signalling downside rejection suggesting we could look to test the USD 13,050 level in the near-term. However, if price action does trade below USD 11,875 it would signal downside continuation

Q4

If the Elliott wave count is correct then we have a bearish head and shoulders pattern forming that is supported by a neutral RSI and an overbought stochastic. Price above the USD 12,475 level is near-term bullish, targeting USD 12,879; above this level the pullback is considered as deep and the phase neutral. Downside moves below USD 11,950 would signal a weakening technical and suggest the bearish head and shoulders pattern is coming into play.

Cal 21

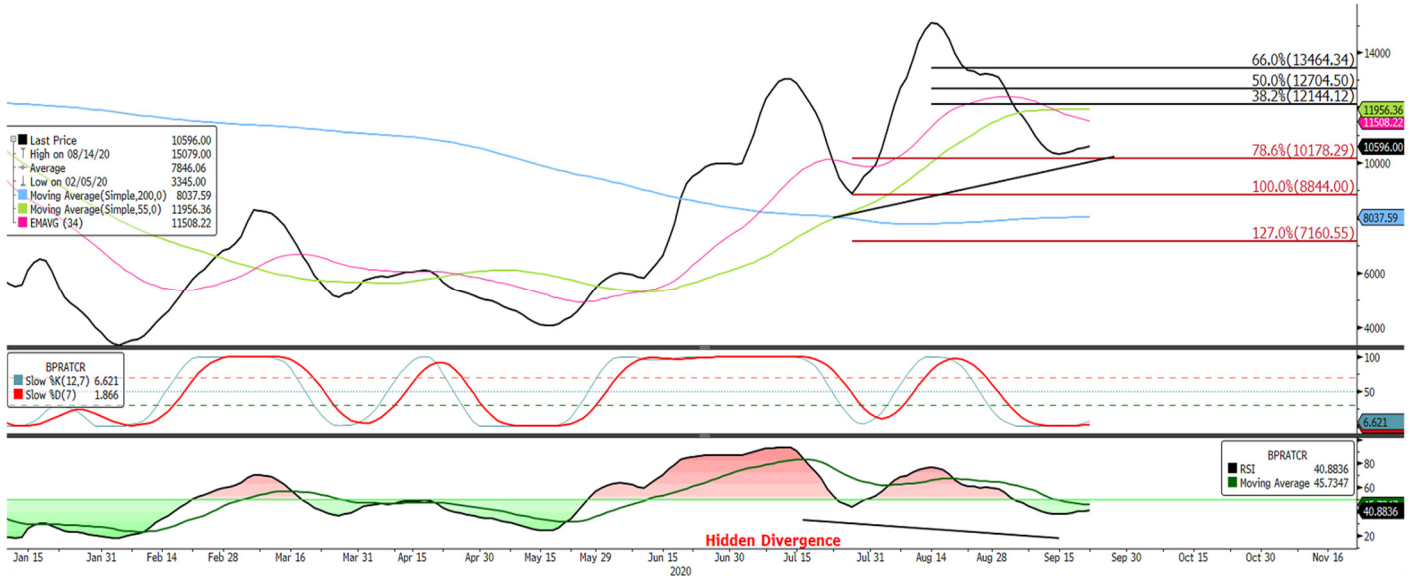
The futures have now achieved our upside target and look to be nearing cycle completion. Price action below USD 10,175 level would create a lower low in the market suggest the Elliott wave cycle is complete. At this point we remain in a bullish trend but in a divergence meaning the market is not considered a technical buy.

Chart Source Bloomberg

FIS Panamax Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Panamax Index



	Support	Resistance	Current Price	Bull	Bear
S1	10,178	R1	10,596	Stochastic oversold	RSI below 50
S2	8,884	R2			
S3	7,160	R3			

Synopsis - Intraday

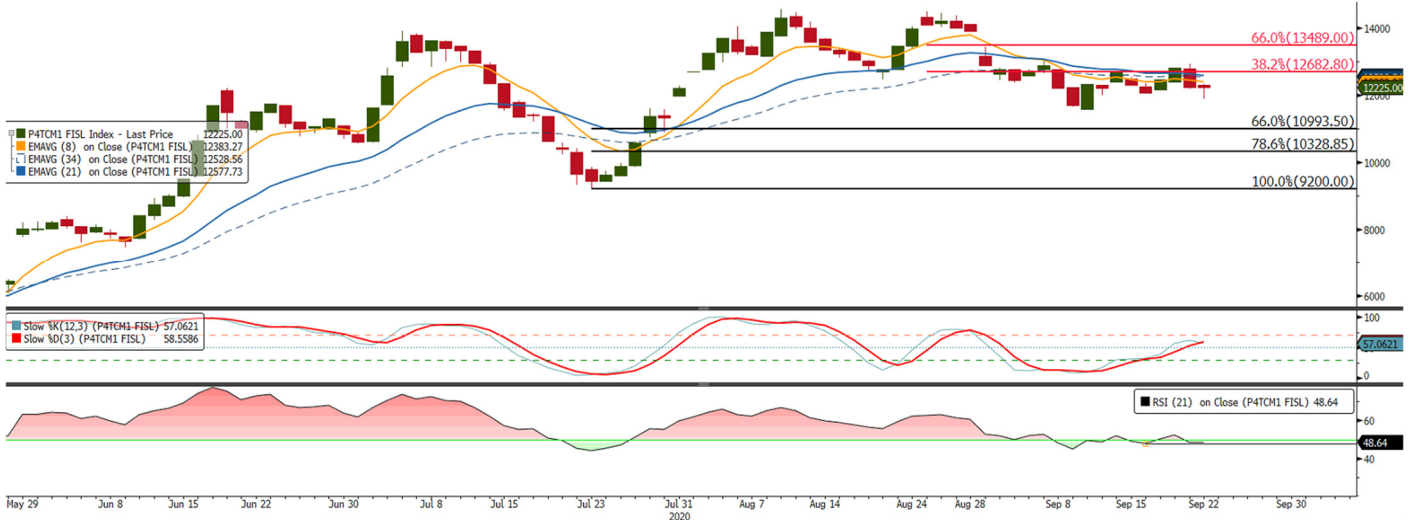
Chart source Bloomberg

- Price is below the 34 and 55 period averages
- RSI is below 50 (37)
- Stochastic is oversold
- From a technical perspective little has changed from last week. The deep pullback means we are currently in a neutral phase with price below its medium-term averages. The bullish hidden divergence highlighted the potential for a momentum slowdown and this has been the case with the futures holding support and heading slightly higher
- The stochastic remains over sold with the slower moving RSI still below 50 in bearish territory. Above 45 would signal that the RSI momentum is firming, however it needs to be above 50 for momentum to be considered as bullish
- The index is making higher closes meaning price momentum is starting to increase. Near-term upside resistance is between USD 12,144—USD 13,464, upside moves that fail at or below the resistance zone would leave the technical vulnerable to further tests to the downside

FIS Panamax Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Panamax Oct 20



Support		Resistance		Current Price	Bull	Bear
S1	11,575	R1	12,682	12,150		RSI below 50
S2	10,993	R2	13,050			
S3	10,328	R3	13,489			

Synopsis - Intraday

Chart Source Bloomberg

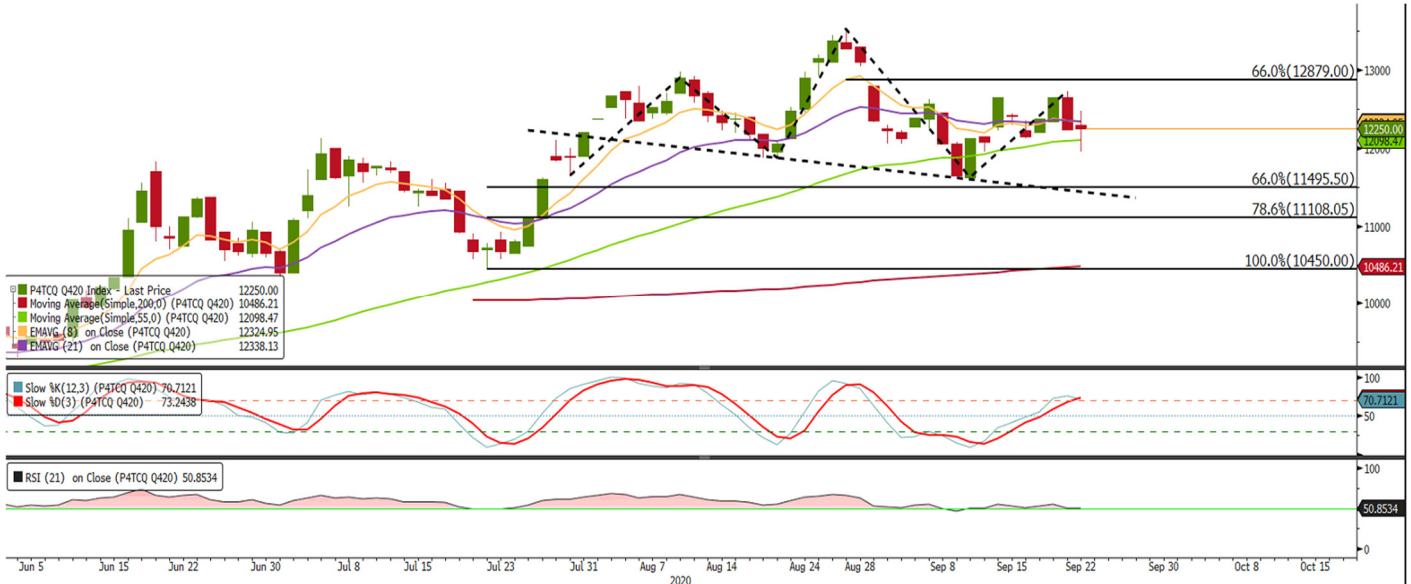
- Price is below the 8–21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- The neutral RSI and oversold stochastic left the technical vulnerable to further tests to the upside. Having closed lower the following day price did have an upside test but failed to break the USD 13,050 resistance
- Intraday price action has traded below USD 12,075 meaning the market has created a lower low. However, this has resulted in small divergence on the daily RSI, not a buy signal it does warn of the potential for a momentum slowdown
- As price stands, the futures are rejecting the downside, as illustrated with the current days candle. If we complete the session with a rejection candle then there is the potential for higher pricing tomorrow, if we trade above USD 12,325. However, if we trade below USD 11,875 before making a new high then this would be technically bearish (Larry Williams)
- The October futures remain in bearish territory below USD 13,050, above this level price action has secondary resistance at USD 13,489. A rejection at or below this level will leave the technical vulnerable to further tests to the downside
- Technically bearish to neutral

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com

FIS Panamax Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Panamax Q4



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,250	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Chart source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (50)
- Stochastic is overbought
- The fractal footprint remains technically bearish having previously made a lower low in the market
- The RSI is at 50 (50.8) and considered as neutral but the stochastic is entering overbought territory. The Elephant in the room is the potential price pattern that is forming. A head and shoulders pattern is forming but not complete and needs to be monitored. If it forms it would have bearish implications going forward. Previously we have spoken of the upside Elliott wave cycle completing with the market potentially being in a countertrend Elliott wave B. it is worth noting that this fits into a bearish head and shoulders pattern
- Upside moves above USD 12,879 would be considered as deep (still bearish on the fractal footprint) meaning the futures would be considered as entering a neutral phase. Ideally if this is a bearish H&S pattern the right shoulder is preferred to stay below the left shoulder high at USD 12,975
- The footprint is bearish as is the Elliott wave count and the potential for an H&S pattern. However the current candlestick is neutral having rejected both the upside and downside.
- Upside moves above the USD 12,475 level would be short-term bullish on price/momentum targeting USD 12,725—USD 12,879. Below USD 11,950 would indicate the bearish H&S pattern could be coming into play with an initial downside target below the USD 11,495 support

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at www.freightinvestorservices.com

FIS Panamax Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Panamax Cal 21



	Support	Resistance	Current Price	Bull	Bear
S1	9,800	R1	10,250	RSI above 50	Stochastic overbought
S2	9,675	R2			
S3	9,250	R3			

Synopsis - Intraday

Chart Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Our near-term upside Elliott wave target has now been achieved with price trading above the USD 10,341 level (high 10,375). In theory we have achieved a classic Elliott wave cycle completion. In reality, that is rare and at this point we remain in a bullish trending environment.
- The RSI is in divergence with price (still), meaning we maintain our view that although technically bullish the market is not considered a technical buy. Note, this is a technical view based on price and totally unrelated to the physical or fundamental market conditions.
- Downside moves below the USD 10,175 Fractal support would create a lower low in the market and suggest we have seen cycle completion
- Technically bullish but not considered as a technical buy