



# Panamax Technical Report

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## Index

The index corrected on the back of the negative divergence that we highlighted last week, price is now testing the USD 24,290 support, below this level the technical is bearish. A close above the USD 25,086 level will indicate that momentum is improving based on price; however, the technical remains vulnerable below USD 27,731, above this level we target the USD 29,410 high. The RSI is at 49 with the stochastic oversold, if the RSI moves above 50 then momentum will be vulnerable to an upside move; however, 3-year seasonality charts turn around the 13/04 warning we have the potential to see a little more selling pressure first.

## May 22

The futures remain corrective with price now trading below the USD 25,125 resistance. Technically neutral there are a couple of warning signs that we could soon form a base around these levels. The intraday RSI is nearing over-sold levels whilst the seasonality charts are due turn higher, finally the futures are back trading at a premium to the index in a downward market. if we stay at a premium with the index moving lower, it could warn that futures are about to turn higher.

## Q3 22

Technically bullish but in a corrective phase the futures are now testing the longer period EMA whilst we have a bullish hidden divergence in play. This is not a buy signal, but it is warning that we have the potential to see a momentum slowdown. Upside moves above USD 27,250 will put the technical in bullish territory whilst below USD 23,725 it will have a neutral bias. Seasonality based on a 3-year chart does tend to base early next week.

## Cal 23

As noted last week the futures did trade down to and through the USD 16,350 fractal support. Price remains in a corrective phase. Upside moves that fail at or below USD 16,828 remain vulnerable to further tests to the downside, above this level we target the USD 17,500 level. A close above USD 16,000 will warn that resistance levels could be tested; likewise, corrective moves lower that hold at or above USD 15,256 will support a bull argument, below this level the futures will have a neutral bias.

# Panamax Index



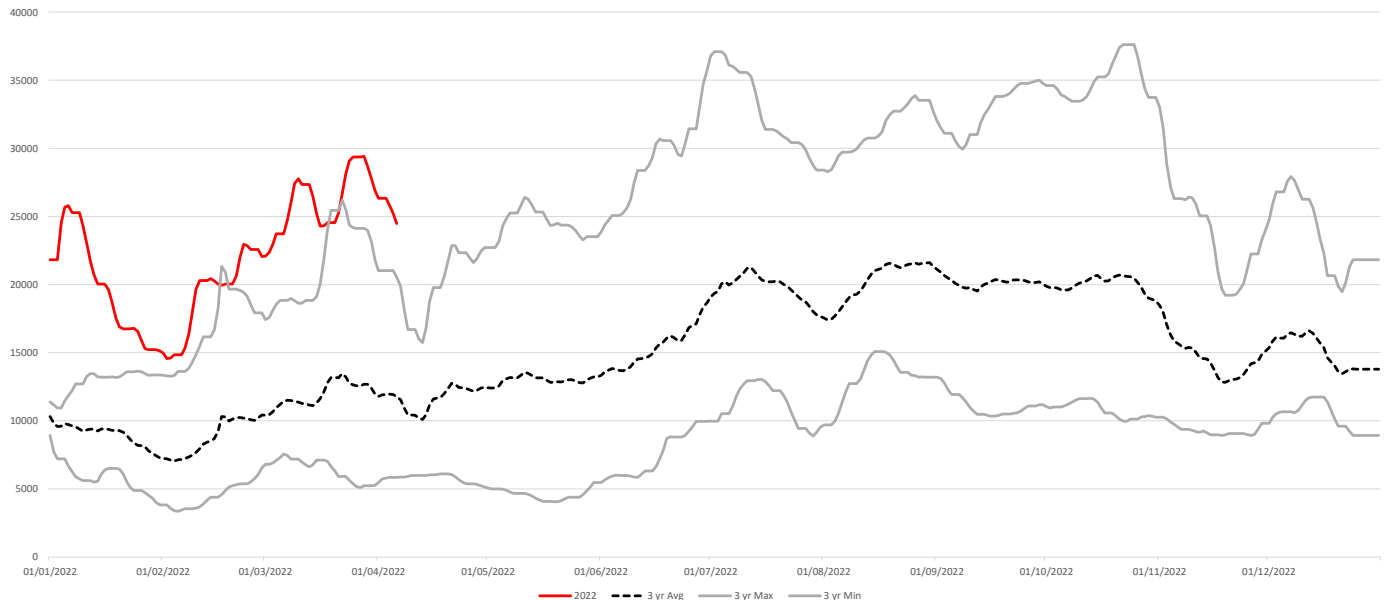
	Support	Resistance	Current Price	Bull	Bear
S1	24,290	R1	26,358	Stochastic oversold	RSI below 50
S2	22,053	R2	26,941		
S3	19,952	R3	27,731		

## Synopsis - Intraday

Source Bloomberg

- Price is between the 34-21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- We noted last week that a dual divergence on the index needed to be monitored as it was warning of the potential for a momentum slowdown, this has resulted in a technical pullback on the index. Price is between the 8-21 period EMA's with the RSI moving just below 50.
- A close above USD 25,086 will warn that momentum is improving based on price, implying we could see a test to the upside. Corrective moves higher that fail at or below the USD 27,731 resistance will leave the technical vulnerable to further tests to the downside, above this level we target the USD 29,410 fractal resistance.
- Price is now on support; downside moves below USD 24,290 will be bearish, further support is at USD 22,053.
- The RSI at 49 is near-neutral with the stochastic in oversold territory, momentum is warning that we are vulnerable to a test to the upside, providing the RSI can move back above the 50 level. It is worth noting that the seasonality charts start turning high around the 13/04 so we could see more selling pressure in the near-term.

Panamax Index 3-Year Seasonality Avg/max/Min



# Panamax May 22 (1 Month forward)



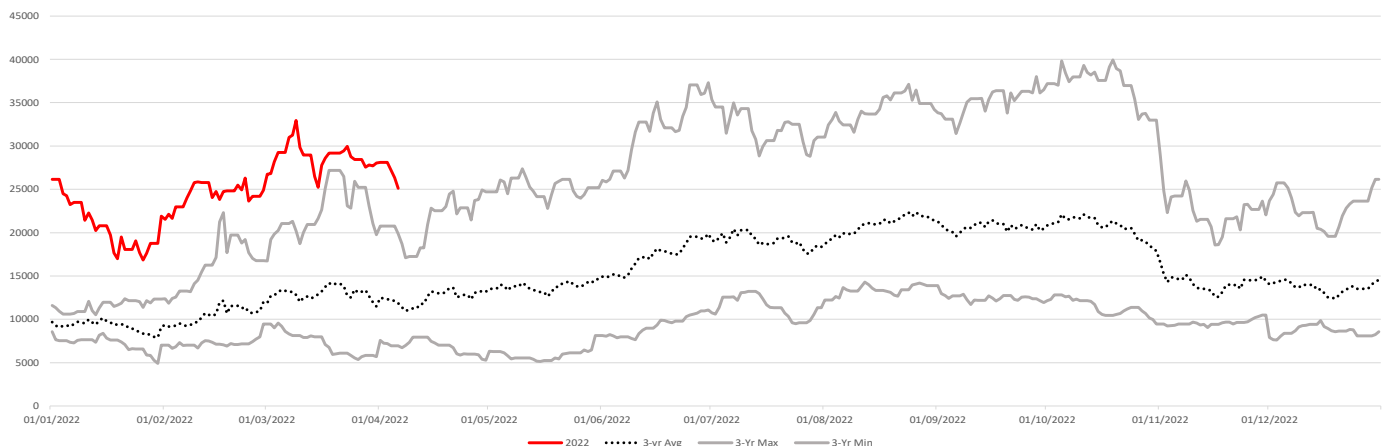
	Support	Resistance	Current Price	Bull	Bear
S1	24,069	R1	26,589	Stochastic oversold	RSI below 50
S2	22,750	R2	27,050		
S3	19,955	R3	27,674		

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (45)
- Stochastic is oversold
- A rejection candle on the April contract followed by a lower close last week had warned that the rolling front month could come under pressure. Price is below the 8-21 period EMA's supported by the RSI below 50.
- The futures have now traded below the USD 25,125 fractal support warning the USD 24,069 – USD 22,750 support levels could be tested. Likewise, upside moves that fail at or below the USD 27,674 resistance remain vulnerable to further tests to the downside. Above USD 30,750 the technical is bullish.
- A close on the daily chart above USD 26,685 will warn that momentum is improving based on price. Intraday RSI's (1 and 4 hour) are now nearing oversold levels, warning we have the potential to see a small test to the upside. We highlight this as the three-year seasonality chart turns higher around now whilst the futures are back trading at a premium to the index, warning of the potential for a momentum slowdown.
- Technically corrective there are some warning signs that we could base soon.

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



# Panamax Q3 22



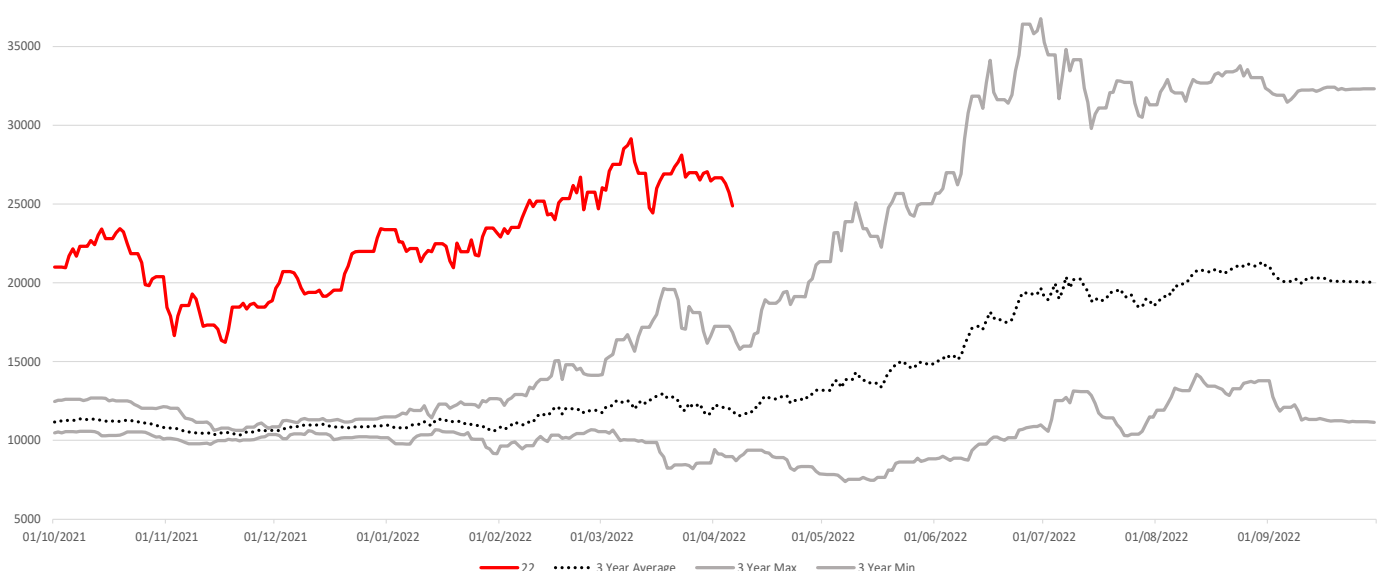
	Support	Resistance	Current Price	Bull	Bear
S1	23,725	R1	27,250	Stochastic oversold	RSI below 50
S2	22,622	R2	28,625		
S3	20,750	R3	29,500		

Source Bloomberg

## Synopsis - Intraday

- Price is below the 8-21 period EMA
- RSI is below 50 (47)
- Stochastic is oversold
- Price is below the 8-21 period EMA's supported by the RSI below 50, the futures remain technically bullish but in a corrective phase.
- Upside moves above USD 27,250 will create a higher high, indicating the technical is bullish; likewise, downside moves that hold at or above USD 23,725 will support a bull argument, below this level the pullback will be considered as deep and the technical neutral.
- The stochastic is oversold with the RSI below 50; however, both the RSI and the stochastic are making lower lows whilst price is not. This is known as a bullish hidden divergence, not a buy signal it is warning that we have the potential to see a momentum slowdown soon.
- Technically bullish and in a corrective phase, seasonality is due to turn to the buyside whilst we have a hidden divergence in play, suggesting market shorts should have a note of caution.

Panamax Q3 3-Year Seasonality with Max/Min Values



# Panamax Cal 23



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,675	RSI above 50	
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Having previously made a lower low we noted that the futures had entered what looks to be a corrective Elliott wave 4 with price targeting the USD 16,350 fractal support. The futures have moved lower with price below all key moving averages supported by the RSI below 50.
- Downside moves that hold at or above USD 15,256 will support a bull argument, below this level the futures will have a neutral bias.
- Upside moves that fail at or below USD 16,828 will remain vulnerable to further tests to the downside, above this level the futures will target the USD 17,500 fractal resistance.
- The futures remain in a corrective wave 4 with price looking like it will produce an inside day candle stick. Upside moves that close above USD 16,000 will warn resistance levels could be tested.

## Panamax Calendar 3-year Seasonality Avg/Max/Min



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