



# Panamax Technical Report

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## Index

Technically bullish but consolidating on the last report, the index has moved higher, meaning we now have a bullish inverse head and shoulders pattern in play. However, the RSI is entering a resistance zone with price slowing down since yesterday, this could be the market repositioning itself, but the lack of momentum is a concern as a breakout on a bullish pattern should really see a momentum acceleration.

## November

The futures failed to trade above USD 19,300 and trigger the negative divergence last week (high USD 19,200) with price moving lower instead. Technically we remain bullish due to the previous move above USD 18,700; however, recent moves to the high/low extremes would suggest that we are lacking directional bias. We have a potential inverse head and shoulders pattern in play if we close above USD 19,300, warning resistance levels could come under pressure on a close above USD 19,300 (note the right shoulder is lower than the left, so it is not a classic pattern). Likewise, downside moves below USD 15,250 would suggest that we are seeing pattern failure, implying technical weakness. Bullish but lacking directional bias.

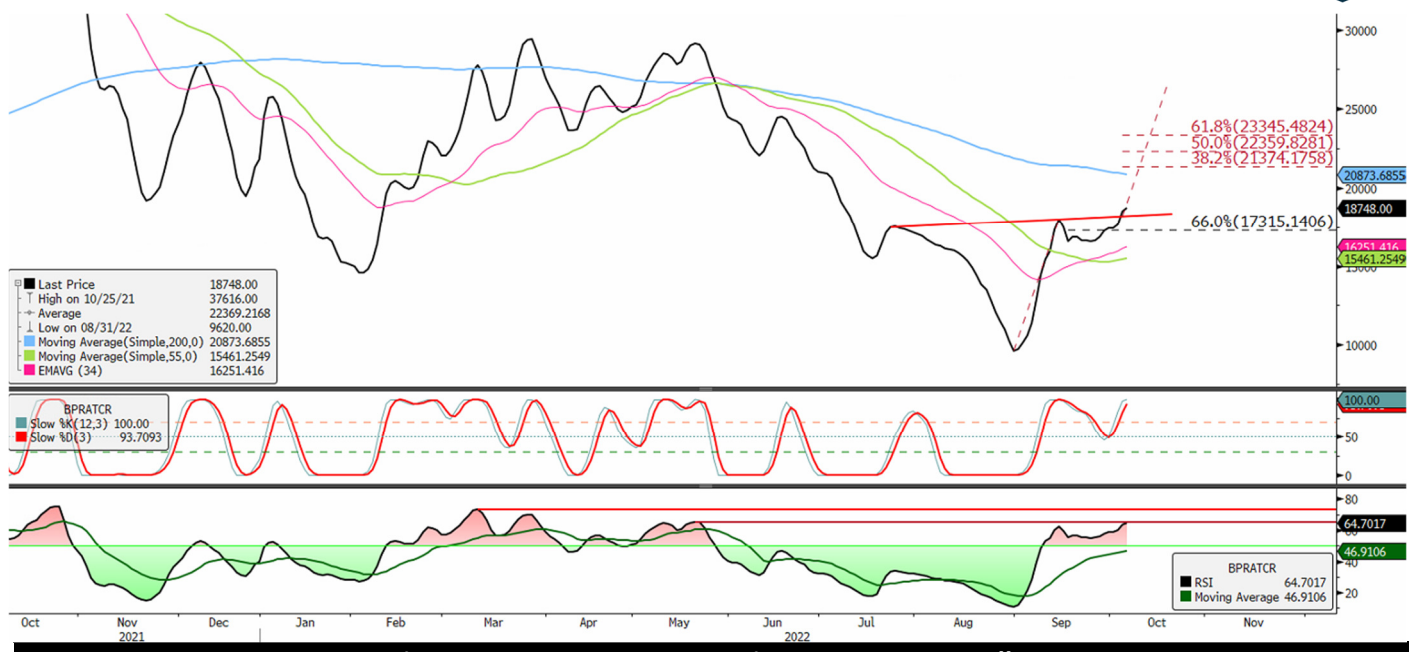
## Q4 22

As noted last week, momentum had warned that support levels could be tested which was the case; however, the futures found buying support resulting in a move to a new high. Technically bullish we have seen two failed breakouts form in inverse H&S pattern, warning of technical weakness. We base this on the fact that this is a bullish momentum pattern and upside momentum keeps stalling above the breakout line. Market bulls should be cautious at this point, as the technical could be vulnerable to a downside move.

## Cal 23

Technically little has changed since last week, the futures have traded to the upside but remain bearish with a neutral bias. Downside moves below USD 12,000 will warn that the USD 12,000 will warn the USD 11,575 and USD 10,425 fractal supports could be vulnerable. We maintain our view that upside moves should be considered as countertrend at this point.

# Panamax Index



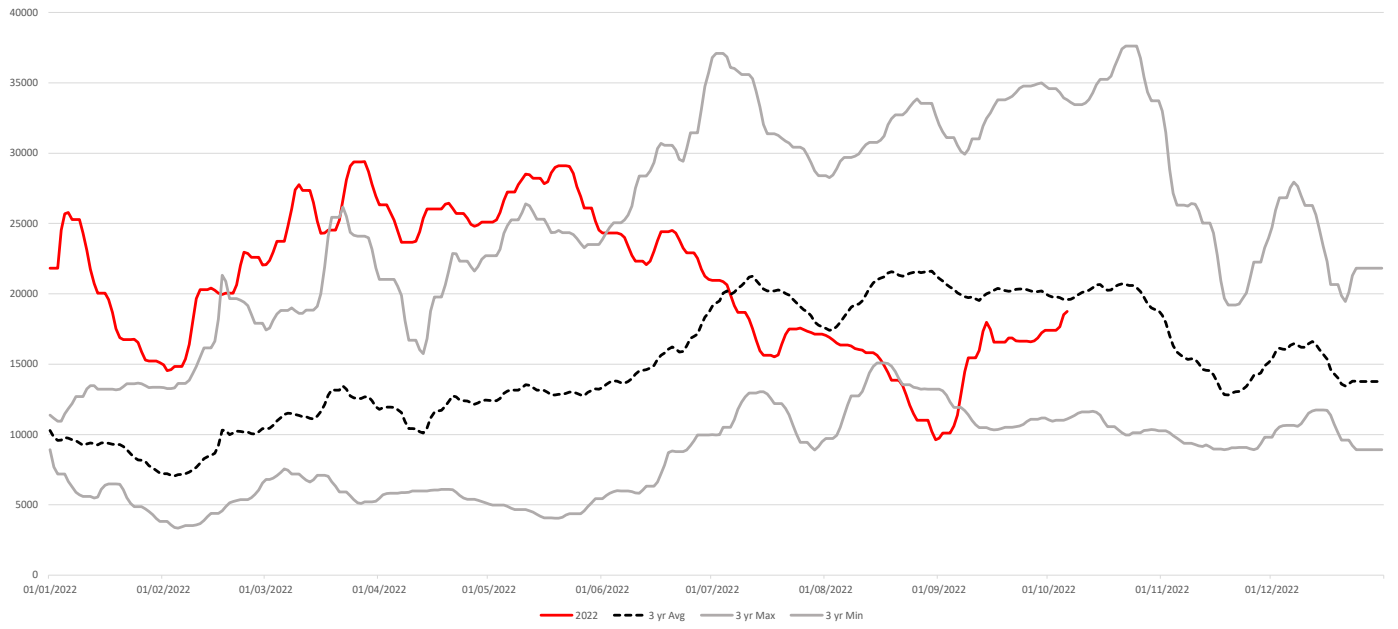
	Support	Resistance	Current Price	Bull	Bear
S1	17,315	R1	21,374	RSI above 50	Stochastic overbought
S2	16,577	R2	22,359		
S3	15,461	R3	23,345		

## Synopsis - Intraday

Source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (64)
- Stochastic is overbought
- Technically bullish but in consolidation on the last report, the upside moves above USD 17,973 has resulted in the index trading to a high of USD 18,748. Price is above the 34-55 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above USD 17,315 will support a near-term bull argument, below this level the technical will have a neutral bias. Momentum based on price is now to the buy side, a close below USD 17,679 will warn that it is moving to the sell side.
- The upside move has created a bullish inverse head and shoulders pattern, warning the market is currently supported; however, countering this the RSI is entering a resistance zone which will need to be monitored in case this is a false breakout. Technically bullish, caution if we do not see a momentum acceleration here on the back of the price pattern, as it warns the RSI resistance zone could hold.

## Panamax Index 3-Year Seasonality Avg/max/Min



# Panamax November 22 (1 Month forward)



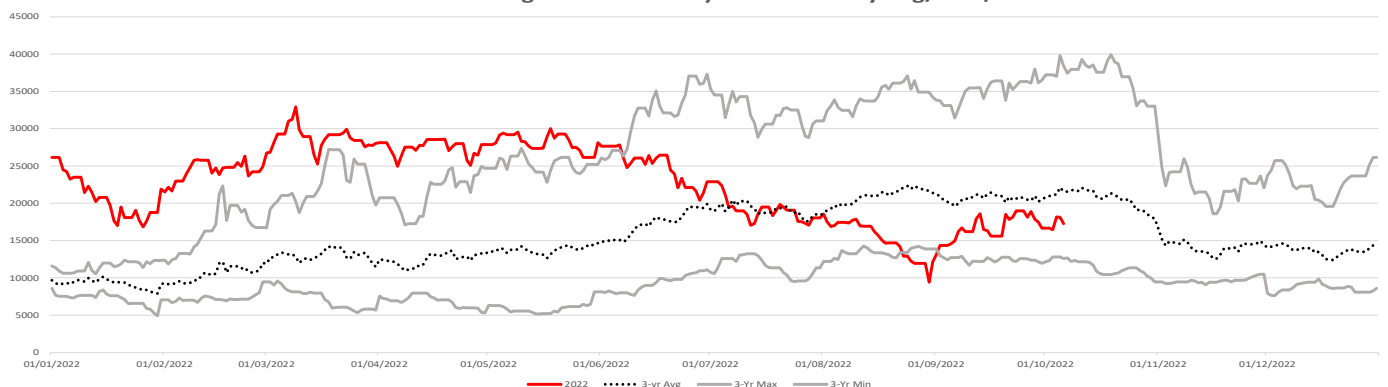
Support	Resistance	Current Price	Bull	Bear
S1	R1	17,250	RSI above 50	
S2	R2			
S3	R3			

## Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- We noted last week that upside moves that traded above USD 19,300 would create a negative divergence with the RSI, not a sell signal it would need to be monitored, the intraday futures had broken trend support warning of technical weakness. Price moved to the downside with the October contract trading to a low of USD 16,800 and the November to USD 15,800 before finding buying support. A bearish rejection candle yesterday has put price between the 8-21 period EMA's with the RSI now neutral at 50.
- Downside moves below USD 15,250 will create a lower low in the market, warning the technical is turning to the sell side. Likewise, a close above USD 19,300 would indicate we have a bullish inverse head and shoulders in play, warning upside resistance levels could come under pressure.
- Technically the futures are bullish based on the move above USD 18,700; however, recent price swings have been too high/low extremes indicating a lack of directional bias. Key resistance is at USD 19,300 level, a close above this level is needed for buy-side momentum; Likewise, downside moves below USD 15,250 would suggest the H&S pattern is failing, warning we have the potential to head back to the August lows.

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



# Panamax Q4 22 (Rolling front Qtr)

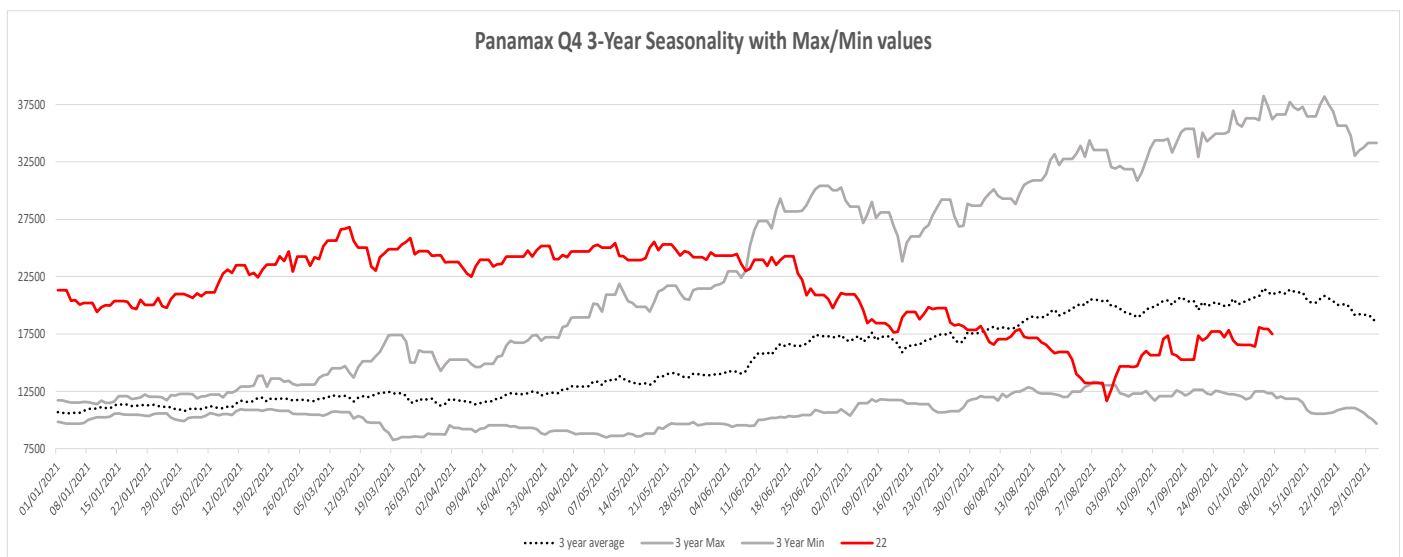


	Support	Resistance	Current Price	Bull	Bear	
S1	16,876	R1	17,500	RSI above 50	Stochastic overbought	
S2	15,950	R2				20,338
S3	14,875	R3				21,100

Source Bloomberg

## Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is at 50 (52)
- Stochastic is overbought
- Last week momentum warned that we could see support levels come under pressure which they did, resulting in the futures trading to a low of USD 15,950. However, the market found buying support with price trading to a new high of USD 18,675. Price is above all key moving averages supported by the RSI above 50, the new high means the technical is now bullish.
- Downside moves that hold at or above USD 16,876 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 15,950 is the technical bearish.
- Technically bullish on the back of the new high we have now seen two failed breakouts from the head and shoulders pattern with the futures failing to close above the USD 18,375 fractal resistance from the 10/08/22. This is an inverse head and shoulders pattern that is failing to find buy-side momentum on upside breakouts, as a technical pattern it should probably be ignored, as the lack of buy-side momentum is warning that this technical could be vulnerable to a downside move.



# Panamax Cal 23



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,700	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 (52)
- Stochastic is overbought
- Little has changed on the technical in the last week, the futures remain bearish with a neutral bias. Price has tested the upside but is failing to hold, the futures however are above the 55-period MA, supported by the RSI above 50.
- Downside moves below USD 12,000 will warn that the USD 11,575 and USD 10,425 fractal support levels could come under pressure.
- Technically bearish with a neutral bias, we maintain our view that the current upside moves should be considered as counter-trend with the longer-term trend remaining vulnerable to further tests to the downside below USD 15,490, above this level the wave cycle is considered as neutral. (unchanged)

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



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