



Panamax Technical Report

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Index

We noted last week that the index was vulnerable to a move higher in the near-term based on price and momentum which has been the case; however, we are now moving lower with momentum based on price aligned to the sell side. Conflicting indicators as the MA on the RSI would imply that momentum was weak, but the MA remains above 50 with the stochastic in oversold territory. The corrective move lower coming is on the back of a negative divergence, supported by the MA on the RSI turning lower, the USD 13,460 fractal support is looking like it could potentially be tested and broken.

May 23

Although moving higher supported by bullish momentum last week, the intraday Elliott wave cycle warned we were vulnerable to a move lower, suggesting caution. The futures have moved lower with price breaking the USD 14,825 fractal support, warning the USD 14,200 fractal low could be tested and broken. The technical is weakening, but an intraday divergence and a hidden divergence on the daily technical will need to be monitored, as they are warning sell side momentum could slowdown.

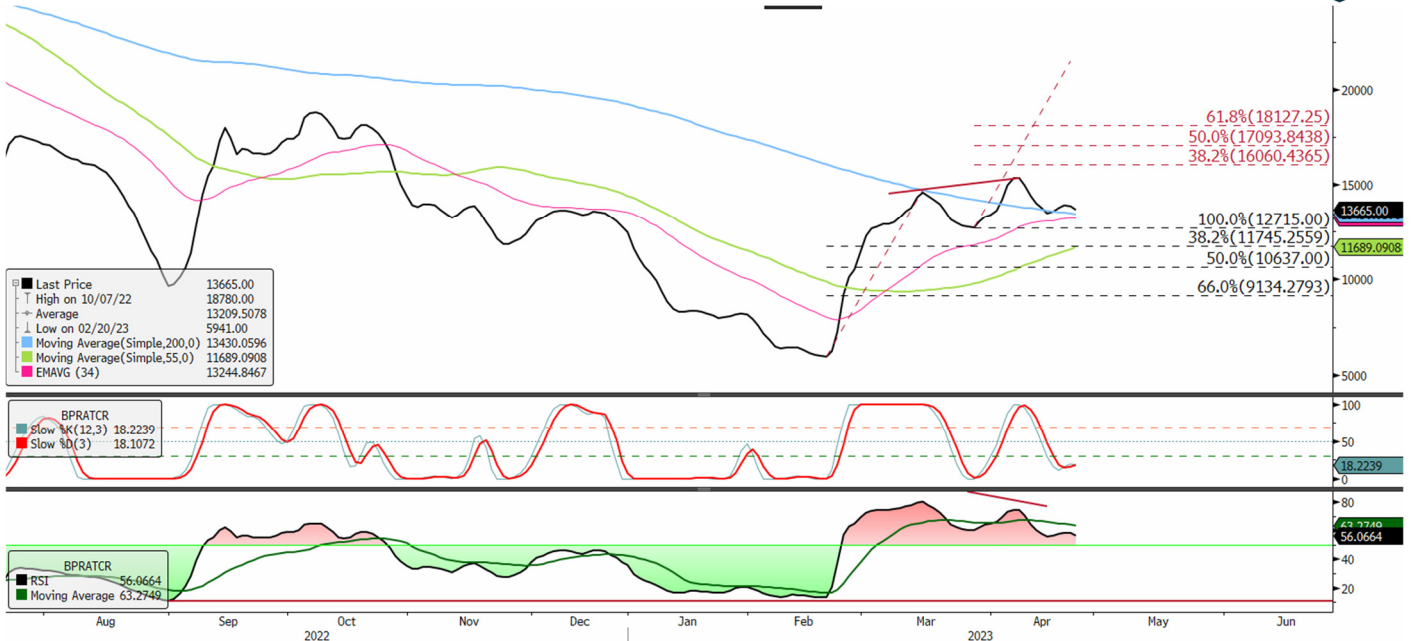
Q3 23

Our view last week was that the upside move did not fit bullish impulse structures, so unless we traded to a new high the upside move was considered to be part of the corrective phase. The futures have broken to the downside, how I did not identify it as a bearish flag/pennant is a mystery to me. The downside breakout would imply that the USD 15,500 fractal support is now vulnerable with a potential downside target at USD 15,100. However, this has not changed our longer-term view on the market, based on our Elliott wave analysis this move lower looks to be part of a countertrend corrective wave 4.

Cal 24

Neutral last week with Flat EMA's, price was in consolidation whilst the MA on the RSI was flat. The futures have broken to the downside, the move below USD 13,238 would imply that the USD 12,725 support is vulnerable. The Technical is bullish but now has a neutral bias due to the depth of the pullback.

Panamax Index



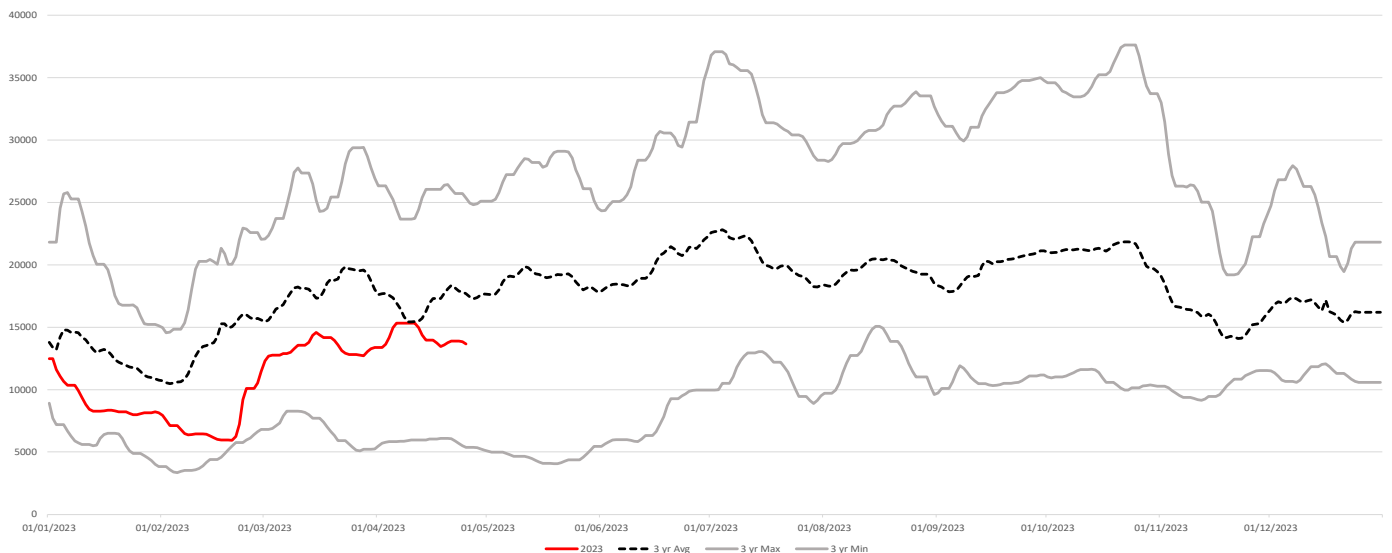
Support	Resistance	Current Price	Bull	Bear
S1	R1	13,665	RSI above 50	Stochastic oversold
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34-55 period EMA's
- RSI is above 50 (56)
- Stochastic is oversold
- Bullish with a neutral bias last week, the deep pullback warned that the USD 12,715 fractal support could be vulnerable, below this level the technical is bearish. However, the RSI was above 50 with the stochastic at 30, momentum suggested that price was vulnerable to a move to the upside, providing the RSI held above 50. Although fractal support was vulnerable the index had turned higher with momentum supported, suggesting we could potentially see a move to the upside in the near-term. We did see a move higher in the near-term but the index has started to correct again, price remains above all key moving averages supported by the RSI above 50.
- Momentum based on price is now aligned to the sell side, a close above USD 13,796 will mean it is aligned to the buy side. Upside moves above USD 13,899 will warn that momentum based on price is starting to strengthen. Likewise, below USD 12,715 the technical is bearish.
- Bullish with a neutral bias, the RSI remains above 50 with the stochastic in oversold territory, momentum ss warning that we have the potential to see a move to the upside, providing the RSI holds above 50. However, countering this, the MA on the RSI is turning lower, indicating buy side momentum is weak. With the index initially moving lower on the back of a negative divergence, alongside the weakening MA on the RSI, the USD 13,460 fractal support is looking like it could be tested and broken. If it is we target the USD 12,715 level.

Panamax Index 3-Year Seasonality Avg/max/Min



Panamax May 23 22 (1 Month forward)



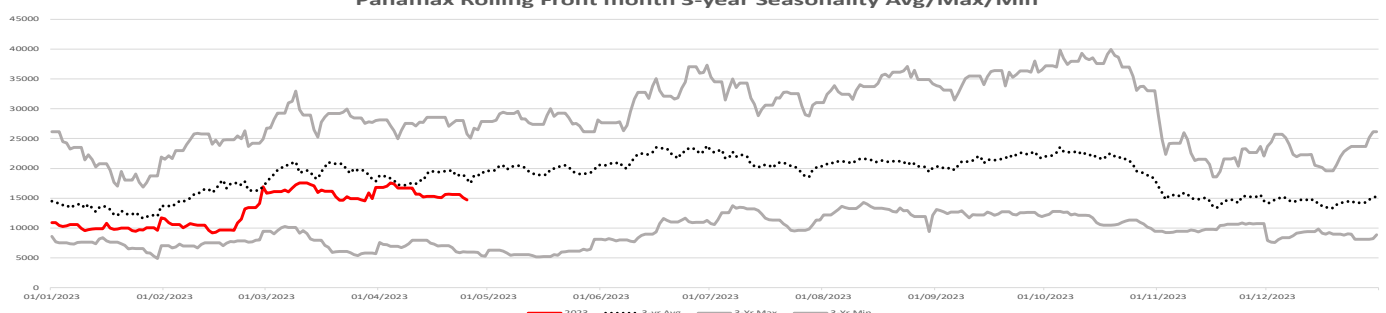
	Support	Resistance	Current Price	Bull	Bear
S1	14,200	R1	15,171	Stochastic oversold	RSI below 50
S2	13,625	R2	15,533		
S3	12,105	R3	15,975		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- Technically bullish with a neutral bias on the last report, the RSI was above 51 whilst the stochastic was in oversold territory, the futures were moving higher on the back of a potential bullish momentum move. Although we were moving higher, intraday Elliott wave analysis continued to warn that we could see another test to the downside. We noted this was on a low timeframe making the cycle less reliable; however, it did suggest caution on this upside move, making USD 16,755 the key resistance to follow. The upside move failed to hold with price following the intraday Elliott wave pattern lower. The futures are below the 8-21 period EMA's supported by the RSI below 50.
- Upside moves that fail at or below USD 15,333 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 15,975 fractal resistance. Likewise, downside moves below USD 14,200 would suggest that the corrective move lower is a countertrend Elliott wave 4.
- Technically bullish with a neutral bias, the downside move below the USD 14,825 fractal support is warning that the USD 14,200 fractal low could be tested and broken. However, we should note that the intraday RSI is now showing divergence, not a buy signal it does warn that we have the potential to see a momentum slowdown and will need to be monitored. We highlight this as the daily RSI is making a new low, but price is not, this is known as a hidden divergence. The fractal break would suggest we go lower, but there are warning signs (divergences and trend support) that sell side momentum could slowdown, suggesting a little caution as these will need to be monitored.

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



Panamax Q3 23 (Rolling front Qtr)



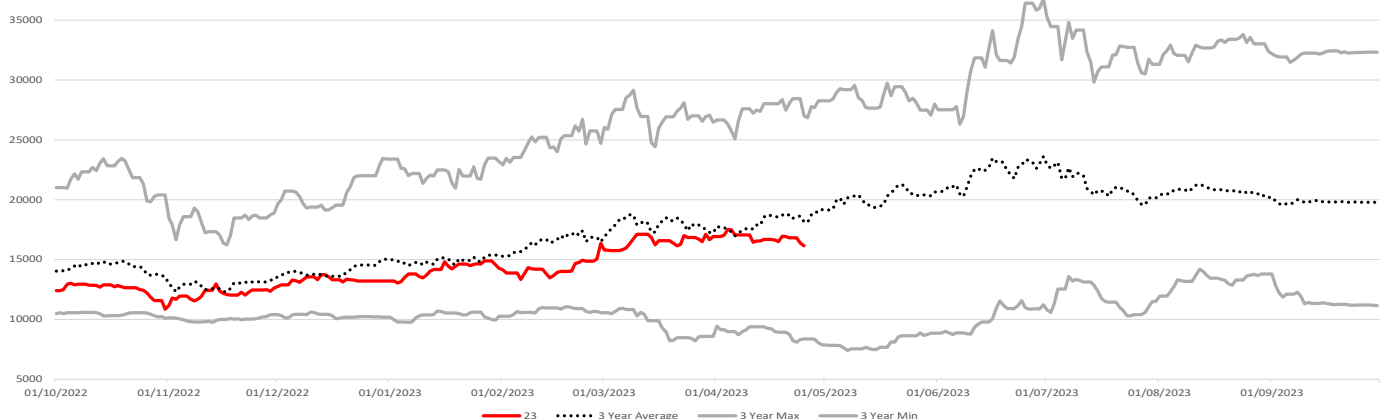
	Support	Resistance	Current Price	Bull	Bear
S1	16,035	R1	16,777	16,225	RSI below 50
S2	15,550	R2	17,100		
S3	15,100	R3	17,600		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (49.5)
- Stochastic is below 50
- We have conflicting momentum signals last week. The RSI was above 50 with the stochastic in oversold territory, momentum warned that we could see a test to the upside. However, the MA on the RSI would suggest buy-side momentum was weak. The technical was bullish based on price, but like last week, we had concerns regarding the lack of structure in the recent upside move, as it did not fit a bullish impulse Elliott wave shape, for this reason we maintained our view that this upside move looked to be part of a countertrend wave 4 unless the USD 18,000 fractal high is broken. It only took 3 weeks for me to identify it as a bearish wedge; however, price has now broken to the downside. The futures are below the 8-21 period EMA's with the RSI neutral at 50.
- Upside moves that fail at or below USD 16,333 will leave the futures vulnerable to further tests to the downside, above this level we target the USD 17,100 fractal resistance.
- Technically bullish with a neutral bias due to the depth of the pullback. The downside breakout would suggest that the USD 15,550 fractal support is now vulnerable with a potential downside target as low as USD 15,100. The MA on the RSI would indicate that momentum is weak at this point; however, we maintain our view that this move looks to be a countertrend corrective Elliott wave 4.

Panamax Q3 3-Year Seasonality with Max/Min Values



Panamax Cal 24



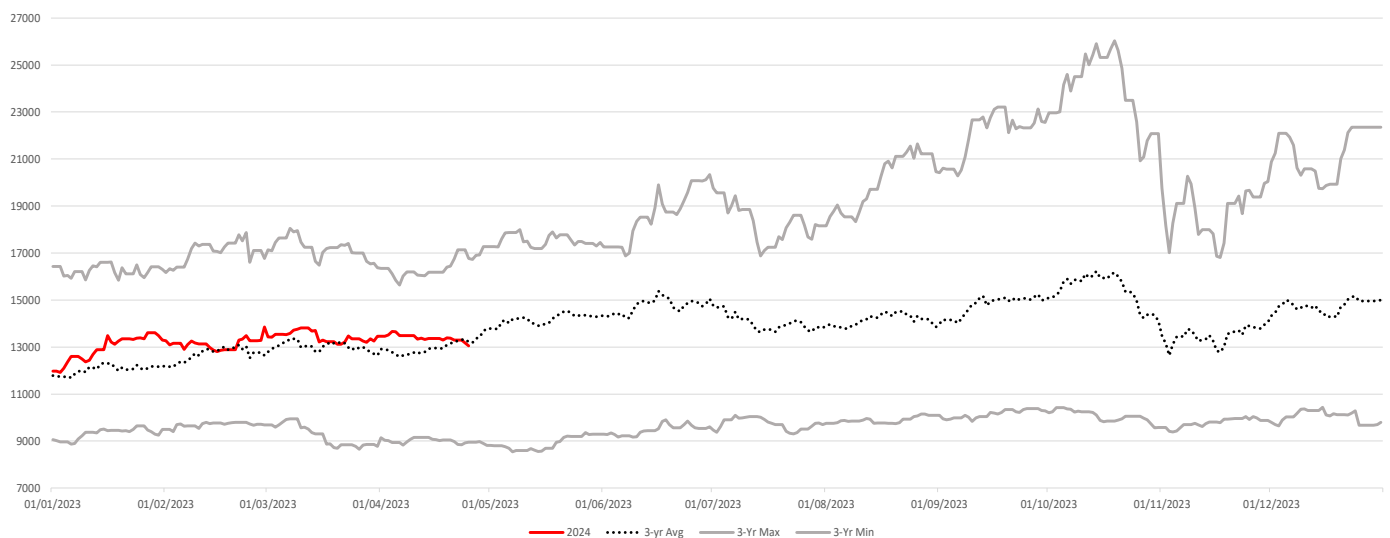
	Support	Resistance	Current Price	Bull	Bear
S1	13,013	R1	13,525		
S2	12,725	R2	13,701		RSI below 50
S3	12,353	R3	13,839		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (45)
- Stochastic is below 50
- The futures were in consolidation and considered as neutral last week. We had flat EMA's whilst the MA on the RSI was also flat. Downside moves that held at or above USD 13,238 would support a bull argument, if broken we targeted the USD 12,725 fractal support. The futures have broken to the downside with price below the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 13,701 will leave the futures vulnerable to further tests to the downside, above this level the technical will target the USD 14,075 high.
- Technically bullish but with a neutral bias due to the depth of the pullback. The MA on the RSI would suggest that momentum is weak at this point, whilst the move below USD 13,238 would imply that the USD 12,725 support is now vulnerable.

Panamax Calendar 3-year Seasonality Avg/Max/Min



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