



Panamax Technical Report

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

Index

Having held the USD 9,152 support, the futures are in the process of rejecting the USD 11,220 resistance, having sold lower today. If we close below USD 10,983 it will signal that buy-side pressure is easing, whilst a close below the weekly pivot level (USD 10,892) will indicate that sell-side pressure is increasing, warning the 200-period MA at USD 9,998 could come under pressure. With price turning today alongside the futures selling lower yesterday, we are now cautious on moves higher in the near-term.

May 25

Unchanged on the technical last week, we remained bearish with upside moves considered as countertrend. The futures did have another test to the upside; however, the move failed to hold, meaning price is in the process of rejecting the USD 11,965 resistance. We closed below the 200-period MA yesterday, followed by a gap lower on the open today. The rejection and subsequent weakening price action suggests that market sellers are now in control, meaning support levels are vulnerable.

Q3 25

Bearish with upside moves considered as countertrend last week, the futures failed to close below the USD 11,425 level, resulting in price moving higher and producing another dominant bull candle. However, the move failed to hold, resulting in price selling lower. The upside rejection and the close below the low of the last dominant bear candle (USD 10,925) is suggesting that support levels are now vulnerable.

Cal 26

Technically bearish with upside moves considered as countertrend last week, the futures consolidated before breaking to the downside today. The breakaway gap to the downside is warning that the USD 9,625 fractal low is starting to look vulnerable. We will have a note of caution on downside breakouts below this level, as there is a high chance that the RSI will be divergent with price, warning sell-side momentum could slow. Our Elliott wave analysis continues to suggest that upside moves should be considered as countertrend.

Panamax Index



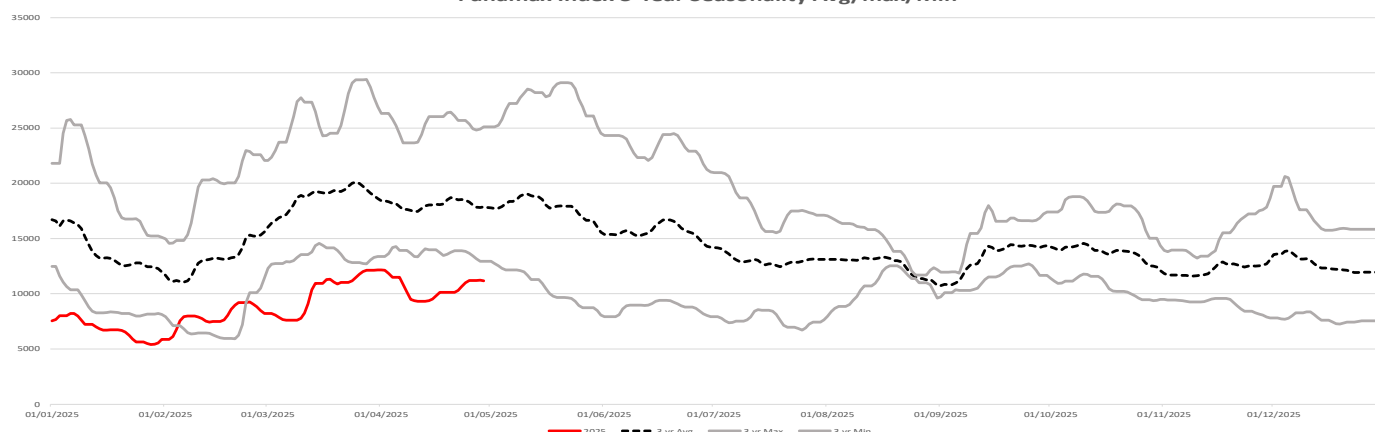
Support	Resistance	Current Price	Bull	Bear
S1	R1	11,168	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Technically bullish last week, the futures had held above the USD 9,152 support, resulting in price closing back above the 200-period MA. If we hold above the longer-term average, then resistance levels would become vulnerable. Likewise, a close below the average and the weekly pivot level (USD 9,875) would imply that sell side pressure was increasing, meaning the USD 9,337 fractal support could be tested and broken. We had held above key support; however, the MA on the RSI implied that momentum remained weak, meaning we have a note of caution on upside moves at that point.
- The index traded to a high of USD 11,219 before correcting today, we are above all key moving averages supported by the RSI above 50.
- Momentum based on price (MBP) is aligned to the buy side, a close below USD 10,983 will mean it is aligned to the sell side. Downside moves that hold at or above 9,152 will warn that there could be a longer-term bull argument coming into play.
- Technically bullish, the index held above the USD 9,152 support; however, we have failed to breach the USD 11,220 resistance, with price starting to turn lower. If we close below USD 10,983 it will signal that buy side pressure is easing, whilst a close below the weekly pivot level (USD 10,892) will indicate that sell side pressure is increasing, warning the 200-period MA at USD 9,998 could come under pressure. With price turning today alongside the futures selling lower yesterday, we are now cautious on moves higher in the near-term.

Panamax Index 3-Year Seasonality Avg/max/Min



Panamax May 25 (1 Month forward)



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,550		RSI below 50
S2	R2			
S3	R3			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8– 21 period EMA's
- RSI is below 50 (47)
- Stochastic is overbought
- Unchanged on the technical last week, the MA on the RSI was flat, implying momentum is neutral, whilst our Elliott wave analysis continued to suggest that upside moves should in theory be countertrend. A rejection candle on Thursday had been followed by the futures opening below the 200-period MA (USD 11,171), resulting in price selling lower on the Tuesday. We noted that if we remained below the average, then support levels should come under pressure. Conversely, a close above that held above the USD 11,171 level would warn that the USD 11,965 resistance could be tested and broken; if it was, then the probability of price trading to a new low would start to decrease. We were seeing signs of technical weakness and noted that price now needed to hold below the longer-term average for downside continuation.
- Having initially closed below the 200-period MA (currently USD 11,078), the futures produced a bull day higher to close back above it. This upside move failed to hold, resulting in price selling lower on a bearish Harami pattern, meaning price is currently back below the average. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 11,965 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The upside move in the futures is in the process of rejecting the USD 11,965 level, with price closing below the 200-period MA yesterday, followed by a gap lower on the open today. The rejection and subsequent weakening price action suggests that market sellers are now in control, meaning support levels are vulnerable.

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



Panamax Q3 25



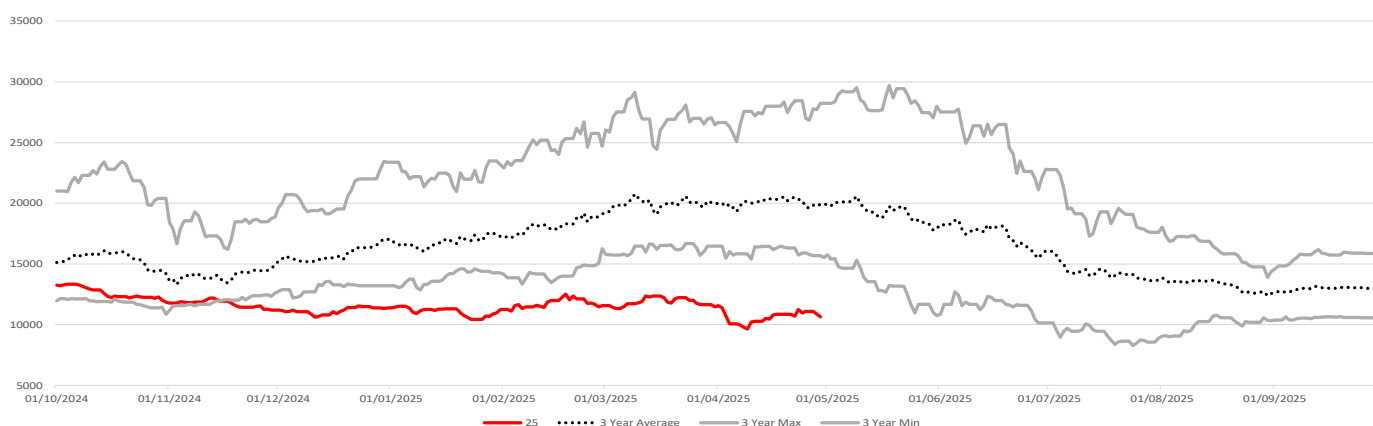
Support		Resistance		Current Price	Bull	Bear
S1	10,032	R1	11,025	10,600		RSI below 50
S2	9,625	R2	11,350			
S3	9,217	R3	11,537			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (44)
- Stochastic is overbought
- Technically bearish last week, the rejection candle and move lower warned that sell side pressure was increasing. We noted that if we closed below the low of the last dominant bull candle (USD 10,425) it would suggest that market sellers were in control, meaning Fibonacci support levels could be tested and broken. Failure to close below the USD 10,425 level will imply that there is an underlying support in the market.
- The futures initially failed to close below the USD 11,425 level, resulting in an upside moves and another dominant bull candle forming; however, this move has failed to hold, with price now selling lower. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below 11,537 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the upside move traded above the USD 11,402 level but rejected the USD 11,537 resistance and the 60-period EMA (USD 11,196), resulting in price selling lower. Note: the USD 11,402 level related to the lower timeframe Elliott wave cycle, whilst USD 11,537 related to a higher timeframe wave cycle, our expectation had been for both resistance levels to hold. The MA on the RSI does suggest that momentum is supported at this point; however, the upside rejection and the close below the low of the last dominant bear candle (USD 10,925) is suggesting that support levels are now vulnerable.

Panamax Q3 3-Year Seasonality with Max/Min Values



Panamax Cal 26



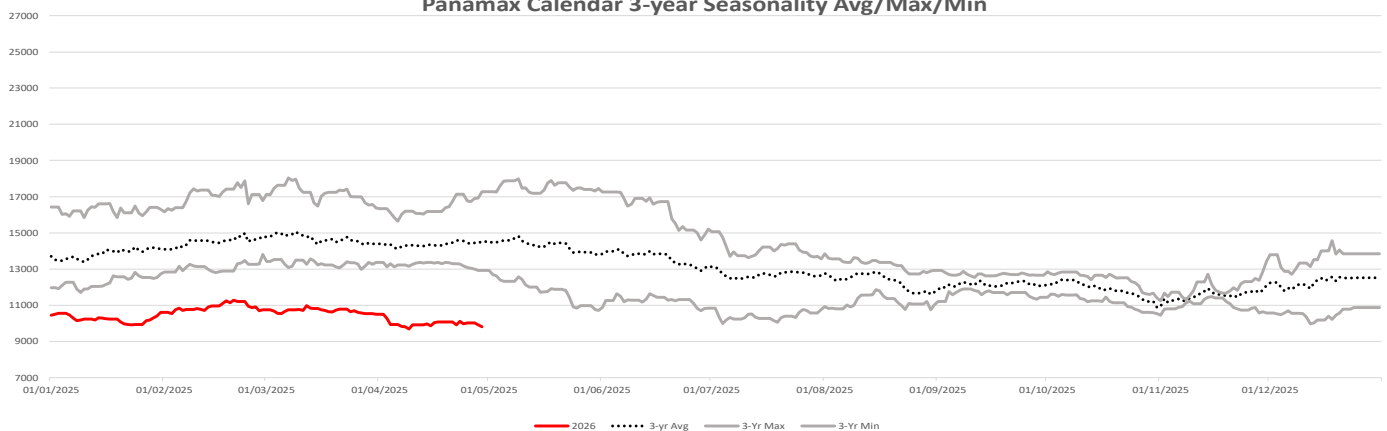
	Support	Resistance	Current Price	Bull	Bear
S1	9,529	R1	10,083	9,775	RSI below 50
S2	9,326	R2	10,225		
S3	9,122	R3	10,417		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (38)
- Stochastic is above 50
- Technically bearish last week, our Elliott wave analysis continued to suggest that upside moves should be considered as countertrend. We noted that like the Q3, the upside rejection candle warned that sell side pressure was increasing, whilst a close below the low of the last dominant bear candle (USD 9,875) would indicate that sellers were in control. Failure to close below the USD 9,875 level would imply that there remained an underlying support in the market.
- The futures consolidated last week with price breaking to the downside today. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 10,763 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the breakaway gap to the downside today is warning that the USD 9,625 fractal low is starting to look vulnerable. We will have a note of caution on downside breakouts below this level, as there is a high chance that the RSI will be divergent with price, warning sell side momentum could slow. Our Elliott wave analysis continues to suggest that upside moves should be considered as countertrend.

Panamax Calendar 3-year Seasonality Avg/Max/Min



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 freightinvestorservices.com