



Panamax Technical Report

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

Index

The index is now approaching the USD 18,127 fractal resistance, above this level the technical will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, this will need to be monitored. We also note that we are approaching a resistance zone in both price and the RSI, adding to our cautious approach at this point. For Upside continuation, the index will need to close and hold above the USD 18,056 level with the RSI achieving new highs.

May 26

This is still observational and is not confirmed; However, if we see a move lower from here, without trading above the USD 19,625 level (high of the left shoulder), then we will have a potential bearish head and shoulders pattern forming. Confirmation will be needed via a close below the USD 18,525 neckline. If we get a confirmed H&S pattern, coupled with the failure to breach the USD 20,275 Fibonacci resistance, it suggests that the USD 16,200 fractal low could be tested and broken. Conversely, market sellers should be cautious on upside moves above USD 19,625, as it will warn that buyside pressure is on the increase.

Q3 26

Technically we remain bullish with momentum now conflicting. We have a negative divergence in play warning that buyside momentum could slow down, meaning we are cautious on upside breakouts to a new high. However, the pullback on the RSI has also produced a positive reversal pattern, warning the USD 19,100 resistance could come back under pressure in the very near-term. Resistance is vulnerable, price is not considered a technical buy, as the technical suggests breakouts will struggle to hold.

Cal 27

The upside move above USD 14,889 mean the probability of the futures trading to a new high has started to decrease, this in theory supports a bull argument. However, the RSI is in divergence on the intraday 4-hour timeframe, while the intraday 4-hour RSI is at 52. From a technical perspective, a divergence near the equilibrium level (50) suggests caution, as price is now becoming vulnerable to a technical pullback. Despite the breach in the USD 14,889 level, we are cautious on higher moves.

Panamax Index



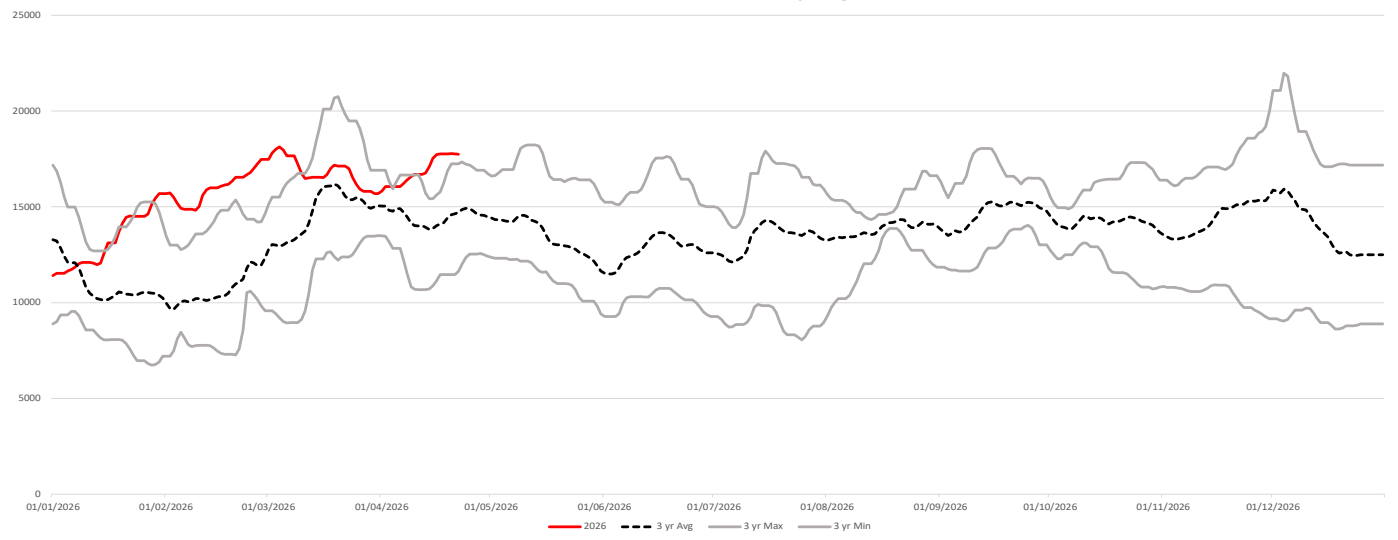
	Support	Resistance	Current Price	Bull	Bear
S1	15,553	R1	18,127	RSI above 50	Stochastic overbought
S2	14,759	R2	19,050		
S3	13,681	R3	19,844		

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Technical outlook previously: Bullish.
- We noted last week that a three-wave corrective pattern lower had held the 200-period MA. We had near-term fractal resistance at USD 17,177 and Fibonacci resistance at USD 17,299. If the resistance zone was broken, then market buyers would look to test the USD 18,127 fractal high. Conversely, a rejection of the USD 17,299 level would indicate a more complex corrective phase. Based on the RSI reclaiming 50 while moving above its moving average, the momentum support implied resistance was vulnerable.
- The index has traded above the resistance zone highlighted previously. We are above all key moving averages supported by the RSI above 50.
- Momentum based on price (MBP) is aligned to the buyside, a close below USD 17,713 will mean it is aligned to the sell side. Downside moves that hold at or above 13,681 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Caution on upside breakouts.
- The index is now approaching the USD 18,127 fractal resistance, above this level the technical will be in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, this will need to be monitored. We also note that we are approaching a resistance zone in both price and the RSI, adding to our cautious approach at this point. For Upside continuation, the index will need to close and hold above the USD 18,056 level with the RSI achieving new highs.

Panamax Index 3-Year Seasonality Avg/max/Min



Panamax May 26 (1 Month forward)



	Support	Resistance	Current Price	Bull	Bear
S1	18,610	R1	20,275	RSI above 50	
S2	17,526	R2	21,053		
S3	16,200	R3	22,375		

Source Bloomberg

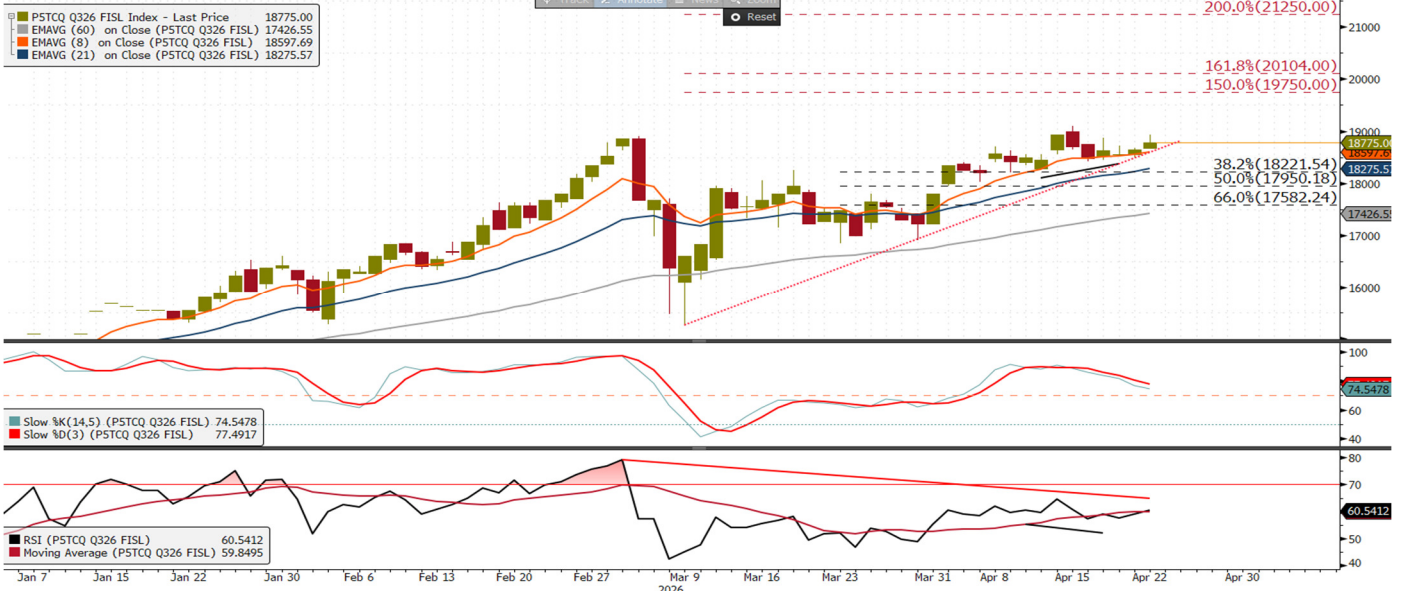
Synopsis - Intraday

- Price is above the 8– 21 period EMA's
- RSI is above 50 (54)
- Technical outlook previously: Conflicting.
- We noted last week that bid support warned that the USD 20,275 Fibonacci resistance could be tested and broken. If it was, then the probability of price trading to a new low would begin to decrease, supporting a buyer's argument. The conflict came from the intraday technical, as the RSI was divergent on the 1-and-4-hour timeframes. The divergence warned that we could see a momentum slowdown, it was not a sell signal but needed to be monitored. USD 20,275 was the key level on the technical, it needed to be breached to avoid a more complex correction.
- The futures have entered as small corrective phase due to the intraday divergences highlighted. We remain above all key moving averages with the RSI above 50. Upside moves that fail at or below USD 20,275 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Potential bearish Head and Shoulders pattern forming.
- This is still observational and is not confirmed; However, if we see a move lower from here, without trading above the USD 19,625 level (high of the left shoulder), then we will have a potential bearish head and shoulders pattern forming. Confirmation will be needed via a close below the USD 18,525 neckline. If we get a confirmed H&S pattern, coupled with the failure to breach the USD 20,275 Fibonacci resistance, it suggests that the USD 16,200 fractal low could be tested and broken. Conversely, market sellers should be cautious on upside moves above USD 19,625, as it will warn that buyside pressure is on the increase.

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



Panamax Q3 26



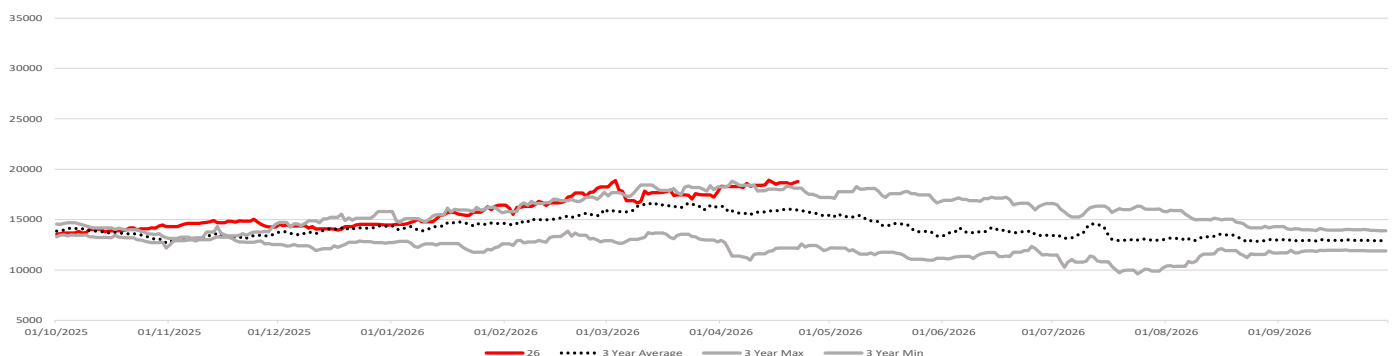
Support	Resistance	Current Price	Bull	Bear
S1	R1	18,775	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Technical outlook previously: Divergent above USD 18,900
- The RSI moving average implied momentum support last week, while Fibonacci projection levels suggested that we could trade as high as USD 20,104 within this phase of the cycle. Lower timeframe Elliott wave analysis indicated that downside move should be considered as countertrend, providing we held above the USD 16,491 support. Below USD 16,491 the pullback would be considered as deep, reducing the probability of price trading to a new high. We noted that we had traded up to but not above the USD 18,900 level, a new high would create a negative divergence with the RSI, warning buyside momentum could slow. A divergence would leave the futures vulnerable to a technical throwback.
- Downside moves that hold at or above USD 17,582 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Caution on upside breakouts above USD 19,100
- Technically we remain bullish with momentum now conflicting. We have a negative divergence in play warning that buyside momentum could slow down, meaning we are cautious on upside breakouts to a new high. However, the pullback on the RSI has also produced a positive reversal pattern, warning the USD 19,100 resistance could come back under pressure in the very near-term. Resistance is vulnerable, price is not considered a technical buy, as the technical suggests breakouts will struggle to hold.

Panamax Q3 3-Year Seasonality with Max/Min Values



Panamax Cal 27

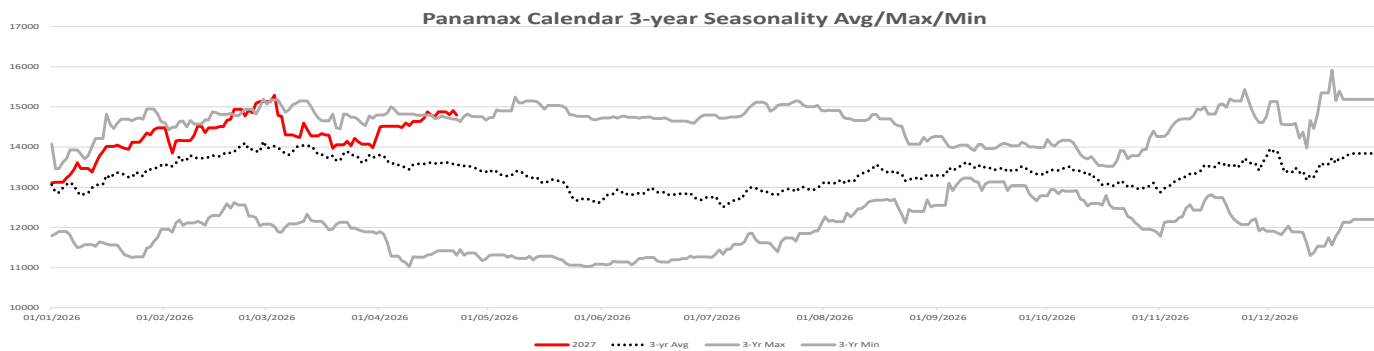


	Support	Resistance	Current Price	Bull	Bear
S1	14,232	R1	14,889	RSI above 50	Stochastic overbought
S2	13,848	R2	15,425		
S3	13,547	R3	15,727		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Technical outlook previously: Inflection Point
- Having held key support at USD 13,848 previously, the futures were testing key resistance at USD 14,889, meaning we are at an inflection point. Above USD 14,889 the probability of price trading to a new low would be reduced, supporting a bull argument. Conversely, if rejected, it would suggest that the corrective phase is becoming more complex, meaning the USD 13,848 support could come back under pressure. The RSI was making new highs with price, while the RSI moving average implies momentum was supported, suggesting resistance should in theory be tested and broken.
- The futures have traded above the USD 14,889 Fibonacci resistance; however, there has been no follow through. We are above all key moving averages supported by the RSI above 50.
- Technical outlook: Cautious on higher moves.
- The upside move above USD 14,889 mean the probability of the futures trading to a new high has started to decrease, this in theory supports a bull argument. However, the RSI is in divergence on the intraday 4-hour timeframe, while the intraday 4-hour RSI is at 52. From a technical perspective, a divergence near the equilibrium level (50) suggests caution, as price is now becoming vulnerable to a technical pullback. Despite the breach in the USD 14,889 level, we are cautious on higher moves.



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