



Panamax Technical Report

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Index

Technical outlook: Caution on upside breakouts.

Unchanged on the technical this week. We maintain a cautious approach on upside breakouts above USD 18,127, as price will be in divergence with the RSI, warning buy-side momentum could slow down. For upside continuation the index would need to close and hold above the USD 18,056 level with the RSI achieving new highs.

May 26

Technical outlook: Potential bearish Head and Shoulders pattern forming.

While below USD 19,400 the head and shoulders pattern remains in play, above USD 19,400 will signal an increase in buy-side pressure. We noted in the morning technical that the RSI had already broken trend resistance, warning the USD 19,400 resistance was considered as vulnerable. The H&S pattern remains in play, but intraday momentum is warning it could fail. However, breakouts above USD 19,400 will still need to trade above the USD 20,275 resistance, as further rejections here would lean the technical to the sell side.

Q3 26

Technical outlook: Caution on upside breakouts above USD 19,100

The positive reversal pattern has failed but price is holding above the 21-period EMA at this point. In theory, the USD 19,100 resistance remains vulnerable; however, as noted last week, upside moves to a new high will trigger a negative divergence with the RSI. For this reason we maintain a cautious approach on moves above USD 19,100.

Cal 27

Technical outlook: Cautious on higher moves.

Unchanged on the technical this week. The futures have moved lower on the divergence, while the RSI is near-neutral at 51. If the RSI starts to close and hold below the 50 level, it will imply that sell side pressure is starting to increase.

Panamax Index

■ BPI82TCA Index - Last Price 17695.00
 ■ Moving Average(Simple,200,0) 15974.96
 ■ Moving Average(Simple,55,0) 16779.18
 ■ EMAVG (34) 16975.14

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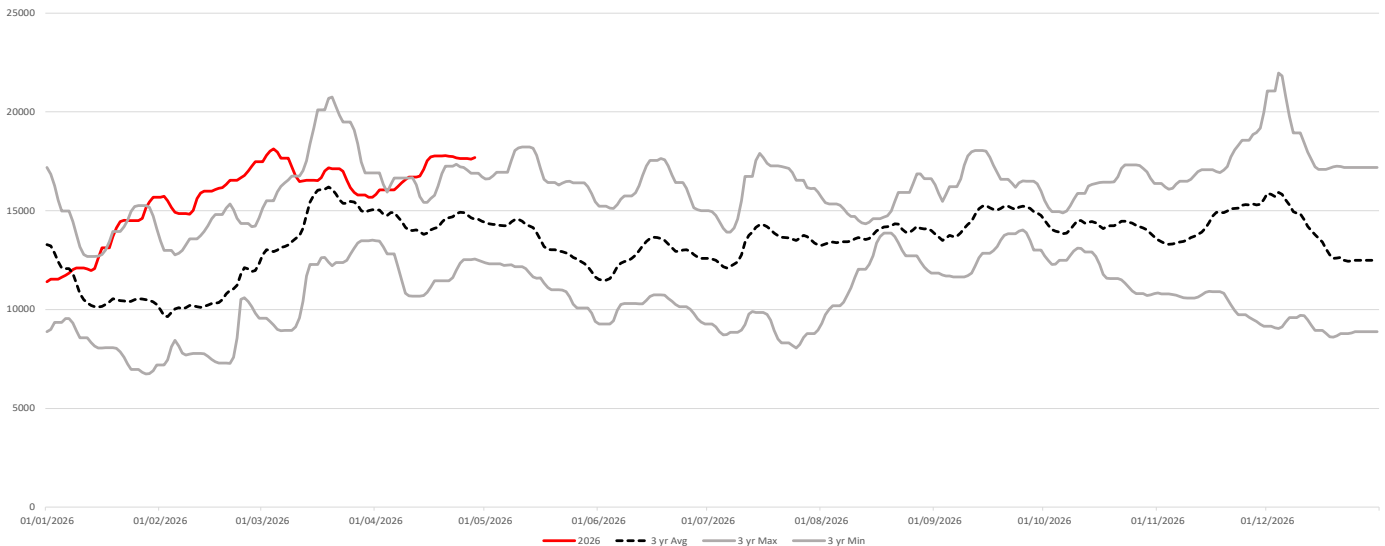
Support	Resistance	Current Price	Bull	Bear
S1	15,553	R1	18,127	Stochastic overbought
S2	14,759	R2	19,050	
S3	13,681	R3	19,844	
		17,695	RSI above 50	

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Technical outlook previously: Caution on upside breakouts.
- We noted last week that the index was approaching the USD 18,127 fractal resistance, above this level the technical would be in divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown, this needed to be monitored. We also noted that we were approaching a resistance zone in both price and the RSI, adding to our cautious approach at this point. For Upside continuation, the index would need to close and hold above the USD 18,056 level with the RSI achieving new highs.
- Sideways action since last week, price remains below the USD 18,127 fractal high. 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 17,666 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.
- Unchanged on the technical this week. We maintain a cautious approach on upside breakouts above USD 18,127, as price will be in divergence with the RSI, warning buyside momentum could slow down. For upside continuation the index would 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)



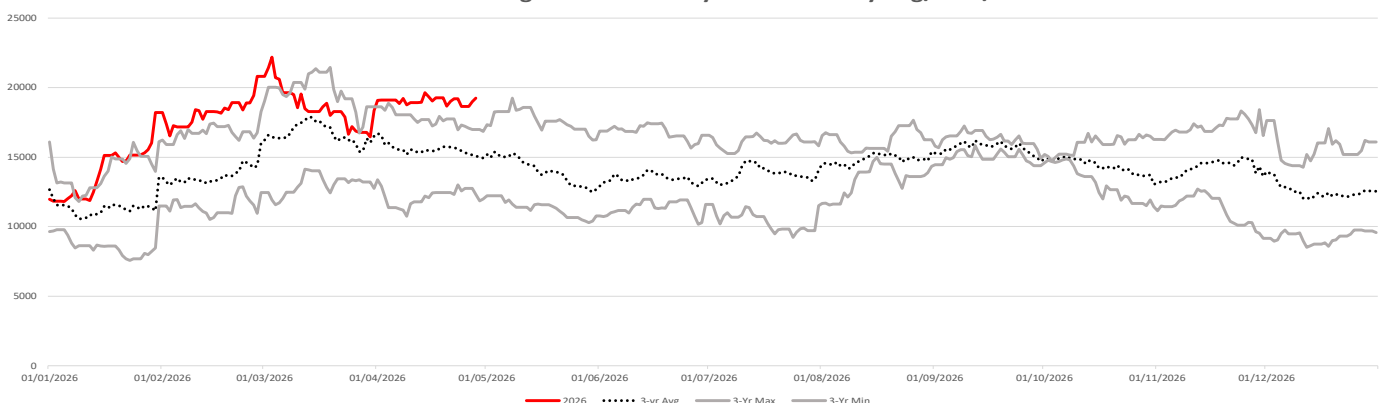
	Support	Resistance	Current Price	Bull	Bear
S1	18,610	R1	19,400	RSI above 50	
S2	17,526	R2	20,275		
S3	16,200	R3	21,053		

Source Bloomberg

Synopsis - Intraday

- Price is above the 8– 21 period EMA's
- RSI is above 50 (54)
- Stochastic below 50
- Technical outlook previously: Potential bearish Head and Shoulders pattern forming.
- Observational last week but not confirmed; we noted that a move lower without trading above the USD 19,625 level (high of the left shoulder), would indicate that we had a potential bearish head and shoulders pattern forming. Confirmation would be needed via a close below the USD 18,525 neckline. If we got a confirmed H&S pattern, coupled with the failure to breach the USD 20,275 Fibonacci resistance, it would suggest 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 would warn that buy-side pressure is on the increase.
- The futures failed to produce a bearish breakout, or bearish close; however, we remain below the low of the left shoulder. We have revised the left shoulder high to USD 19,400. Price is above all key moving averages supported by 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.
- While below USD 19,400 the head and shoulders pattern remains in play, above USD 19,400 will signal an increase in buy-side pressure. We noted in the morning technical that the RSI had already broken trend resistance, warning the USD 19,400 resistance was considered as vulnerable. The H&S pattern remains in play, but intraday momentum is warning it could fail. However, breakouts above USD 19,400 will still need to trade above the USD 20,275 resistance, as further rejections here would lean the technical to the sell side.

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



Panamax Q3 26



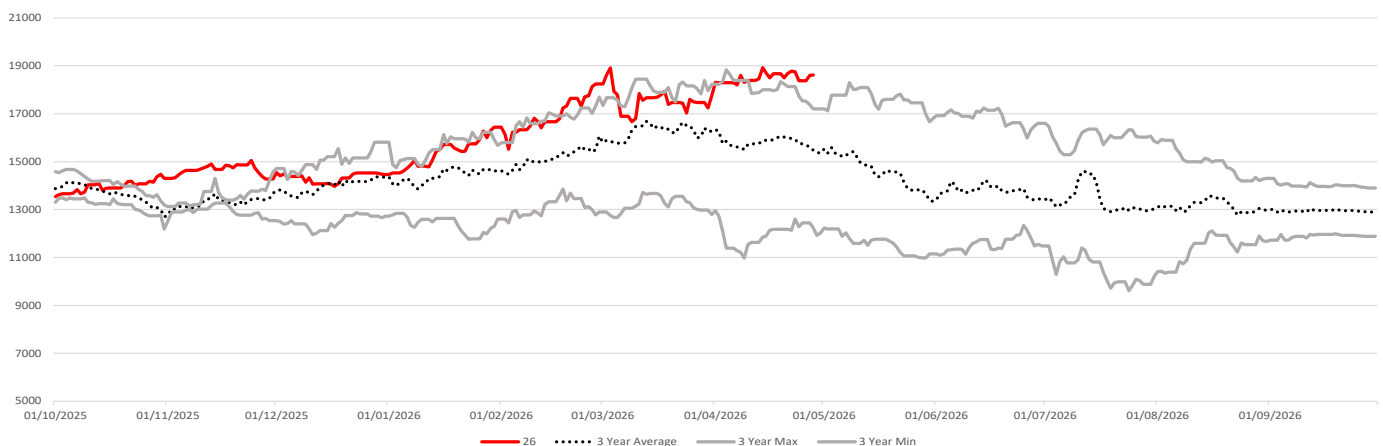
	Support	Resistance	Current Price	Bull	Bear
S1	18,221	R1	19,026	RSI above 50	
S2	17,950	R2	19,100		
S3	18,582	R3,	19,750		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is above 50
- Technical outlook previously: Caution on upside breakouts above USD 19,100
- Technically we remained bullish last week and highlighted that momentum had started to conflict. We had a negative divergence in play warning that buyside momentum could slow down, meaning we were cautious on upside breakouts to a new high. However, the pullback on the RSI had also produced a positive reversal pattern, warning the USD 19,100 resistance could come back under pressure in the very near-term. Resistance was vulnerable, price is not considered a technical buy, as the technical suggests breakouts would struggle to hold.
- The futures closed below trend support (USD 19,026) with the positive reversal pattern failing, resulting in price trading to a low of USD 18,125. We are seeing light bid support with price back above all key moving averages supported by the RSI above 50.
- 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
- The positive reversal pattern has failed but price is holding above the 21-period EMA at this point. In theory, the USD 19,100 resistance remains vulnerable; however, as noted last week, upside moves to a new high will trigger a negative divergence with the RSI. For this reason we maintain a cautious approach on moves above USD 19,100.

Panamax Q3 3-Year Seasonality with Max/Min Values



Panamax Cal 27



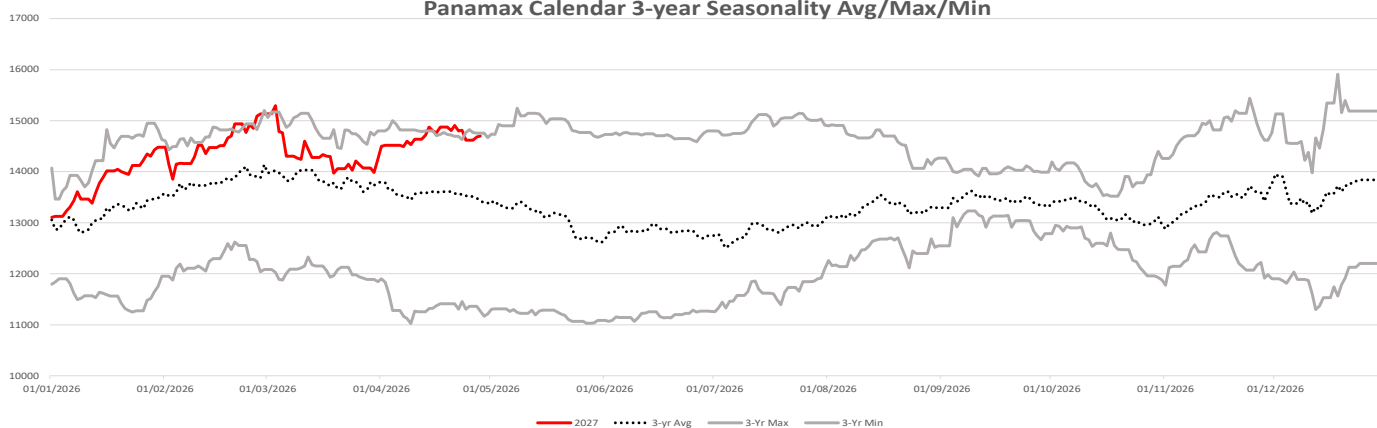
	Support	Resistance	Current Price	Bull	Bear
S1	14,241	R1	14,889	RSI above 50	
S2	13,848	R2	15,425		
S3	13,547	R3	15,727		

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is below 50
- Technical outlook previously: Cautious on higher moves.
- We noted last week that the upside move above USD 14,889 meant that the probability of the futures trading to a new high has started to decrease, this in theory supported a bull argument. However, the RSI is in divergence on the intraday 4-hour timeframe, while the intraday 4-hour RSI was at 52. From a technical perspective, a divergence near the equilibrium level (50) suggested caution, as price was becoming vulnerable to a technical pullback. Despite the breach in the USD 14,889 level, we are cautious on higher moves.
- The futures traded to a low of USD 14,600 before finding light bid support. We are between the 8-21 period EMA's with the RSI near – neutral at 50.
- Downside moves that hold at or above USD 14,241 will support a near-term bull argument, below this level the technical will re-enter bearish territory.
- Technical outlook: Cautious on higher moves.
- Unchanged on the technical this week. The futures have moved lower on the divergence, while the RSI is near-neutral at 51. If the RSI starts to close and hold below the 50 level, it will imply that sell side pressure is starting to increase.

Panamax Calendar 3-year Seasonality Avg/Max/Min



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