



Panamax Technical Report

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

Index

Technical outlook: Positive reversal pattern in play

The index remains in a corrective phase with price and the RSI are making new lows. This is a warning that support levels could come under pressure in the near-term; however, as highlighted previously, due to the positive reversal pattern in play we mark USD 17,617 as the key support to follow. Throwbacks that hold above this level will warn that resistance remains vulnerable; conversely, if broken it will suggest sell side pressure is on the increase.

July 26

Technical outlook: Caution on upside moves

Near-term price action is bearish due to the break in fractal support. The downside move has been replicated by the RSI, suggesting upside moves have the potential to be countertrend. However, we are seeing evidence of bid support with price potentially about to produce either a piercing line pattern, or a bullish engulfing candle. If we do, then focus should be on the USD 20,622 resistance; if rejected, it will leave the technical open to another wave lower.

Q3 26

Technical outlook: Caution on upside moves

The move below USD 19,315 implies that the probability of the futures trading to a new high within this phase of the cycle has started to decrease, indicating we are in wave C of the higher timeframe corrective phase. Bearish momentum confirmation suggests that upside moves should be considered as countertrend, providing we remain below the USD 20,330 support. However, a bullish Harami pattern is warning we are starting to see bid support, meaning we are becoming vulnerable to a move higher in the near-term. Like the piercing line pattern, this will need to be followed by a higher close tomorrow to signal an increase in buy-side pressure.

Cal 27

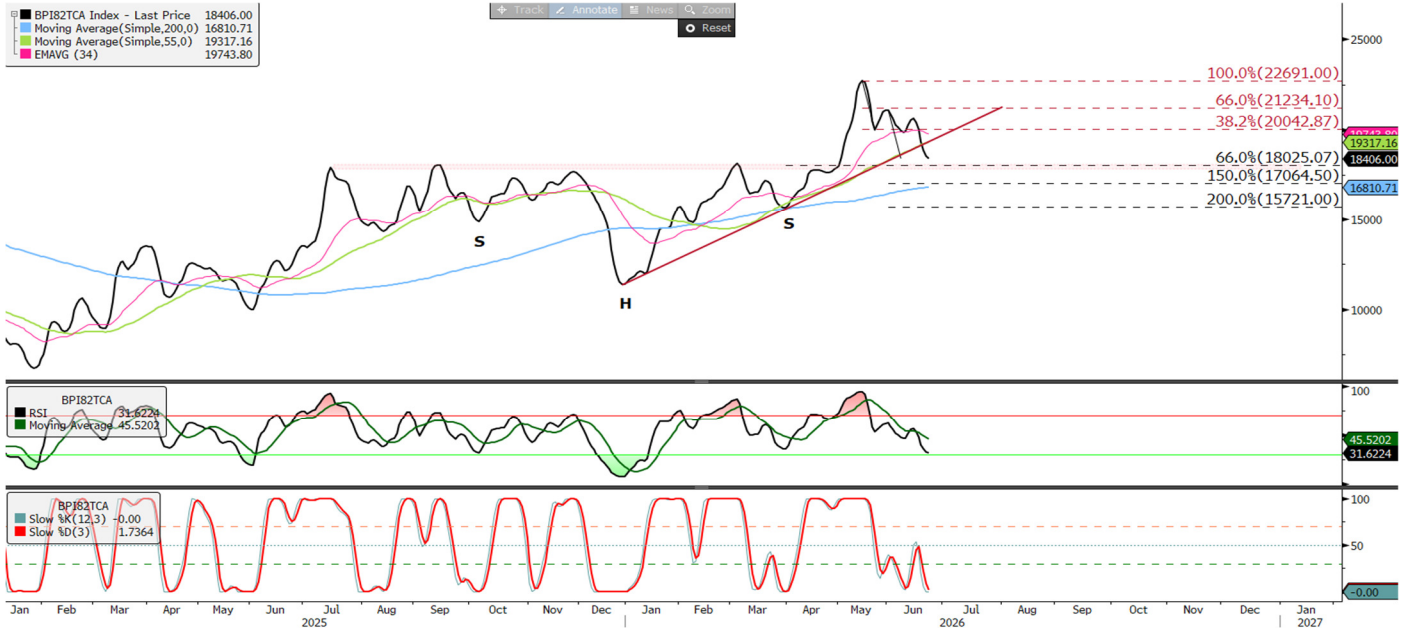
Technical outlook: Caution on higher moves

Although price is seeing bid support today, the upside moves to a high of USD 15,875 failed to hold, resulting in a close back below the trend support line at USD 15,742. With price moving lower on the divergence, we are cautious on higher moves at this point. Market buyers will need to see a close and hold above the trend support line, with the divergence failing, to signal upside continuation.

Panamax Index

■ BP182TCA Index - Last Price 18406.00
 ■ Moving Average(Simple,200,0) 16810.71
 ■ Moving Average(Simple,55,0) 19317.16
 ■ EMAVG (34) 19743.80

+ Track / Annotate / News / Q / Zoom / Reset



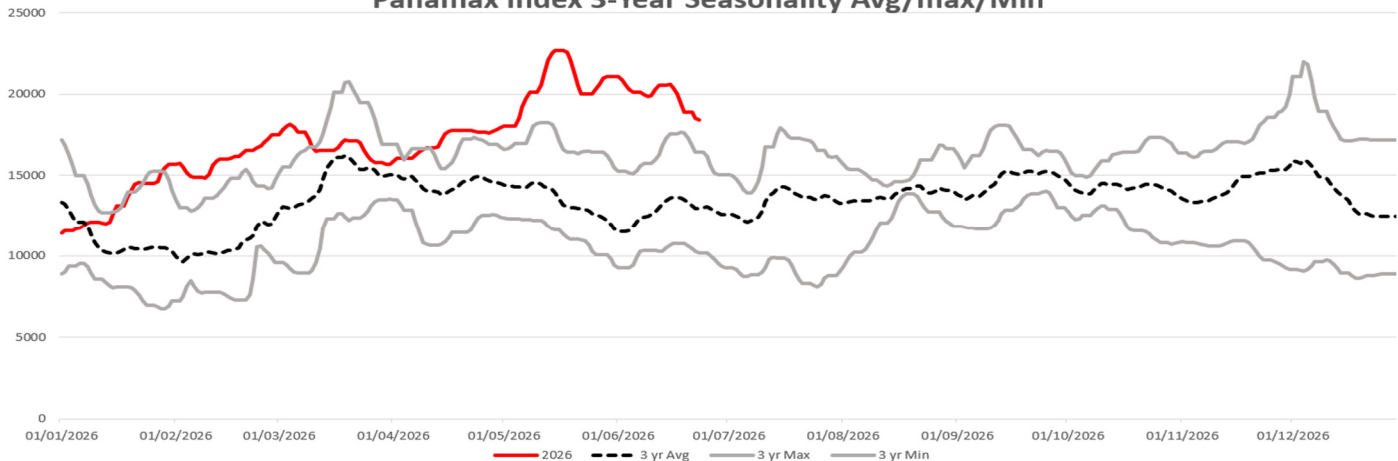
Support	Resistance	Current Price	Bull	Bear
S1	R1	18,406	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (31)
- Stochastic is below 50
- Technical outlook previously: Positive reversal pattern in play
- The technical remained in a corrective phase last week with price holding above the 34 period EMA. We noted that we had trend support at USD 18,999, a close below this level will warn the USD 18,025 Fibonacci support could come under pressure. In theory, this was the key support, as a move below USD 18,025 would suggest that the probability of price trading to a new high has begun to decrease. However, as highlighted previously, while above the USD 17,617 level, the positive reversal pattern remained in play, suggesting resistance would still be vulnerable. Price was corrective, the broader trend remained bullish, suggesting downside moves had a greater probability of being countertrend.
- The index has come under further pressure, resulting in price closing below the trend support line at USD 19,331. Price is below the 34-55-period EMA's while the RSI is below 50.
- Downside moves that hold at or above USD 18,025 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Positive reversal pattern in play
- The index remains in a corrective phase with price and the RSI are making new lows. This is a warning that support levels could come under pressure in the near-term; however, as highlighted previously, due to the positive reversal pattern in play we mark USD 17,617 as the key support to follow. Throwbacks that hold above this level will warn that resistance remains vulnerable; conversely, if broken it will suggest sell side pressure is on the increase.

Panamax Index 3-Year Seasonality Avg/max/Min



Panamax July 26 (1 Month forward)



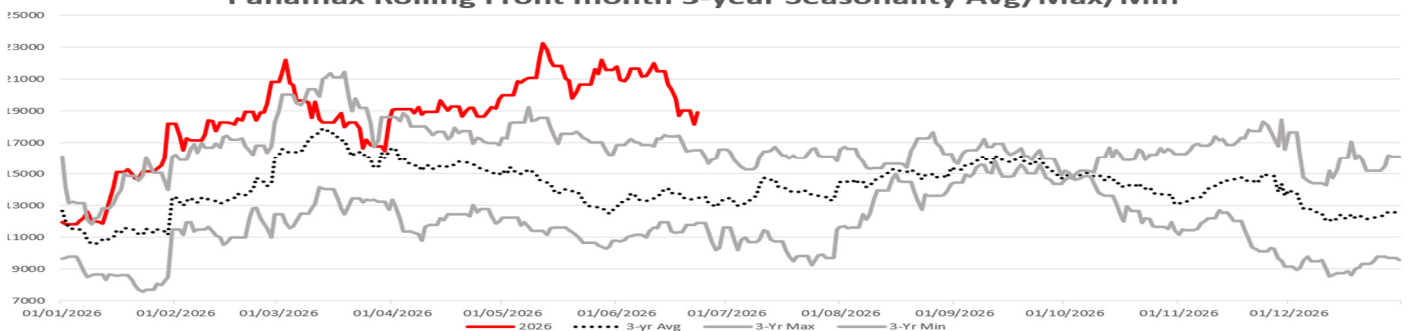
	Support	Resistance	Current Price	Bull	Bear
S1	18,150	R1	19,454	Stochastic oversold	RSI below 50
S2	17,317	R2	19,950		
S3	17,047	R3	20,622		

Source Bloomberg

Synopsis - Intraday

- Price is below the 8– 21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Technical outlook previously: Trend support broken
- The depth of the pullback last week suggested that the probability of the futures trading to a new high within this phase of the cycle had started to decrease, while the downside move below trend support at USD 20,950 implied that sell side pressure was increasing, we also noted that the RSI had rejected the 60 level on the move higher, implying momentum weakness. We were seeing light bid support in the market today (16/06/26), although the technical warns of near-term weakens. Market buyers would need to see a close and hold above trend support, preferably followed by a close above the high of the last dominant bear candle at USD 21,500 to signal market bulls were taking control. Alternatively, market sellers should act with cautious if RSI support emerges at or above the 40 level. As we are seeing bid support from a gap lower on the open, we noted that if we closed the day (16/05) above the mid-point of the bear candle from the (15/05) at USD 21,063, it would mean we had a piercing line pattern in play. If we got this close, market sellers should act with caution, as it indicated sentiment could be turning to the buyside.
- The futures failed to close above trend support resulting in a bearish continuation candle the following day. Price is below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 20,622 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Caution on upside moves
- Near-term price action is bearish due to the break in fractal support. The downside move has been replicated by the RSI, suggesting upside moves have the potential to be countertrend. However, we are seeing evidence of bid support with price potentially about to produce either a piercing line pattern, or a bullish engulfing candle. If we do, then focus should be on the USD 20,622 resistance; if rejected, it will leave the technical open to another wave lower.

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



Panamax Q3 26



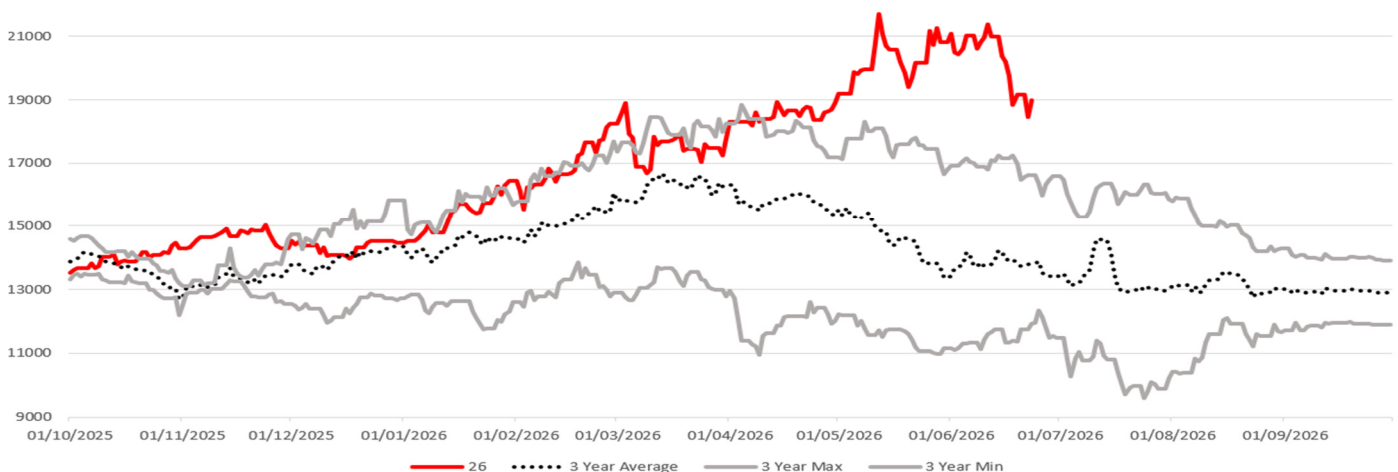
	Support	Resistance	Current Price	Bull	Bear
S1	18,259	R1	19,496	Stochastic oversold	RSI below 50
S2	17,699	R2	19,850		
S3	17,468	R3,	20,330		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is overbought
- Technical outlook previously: Neutral
- Technically unchanged last week, the longer-term Elliott wave cycle continued to suggest that downside moves should be considered as countertrend. We noted that we were seeing some mixed signals, as the move lower on the 15/05 breached two support lines; however, bullish price action on the 16/05 meant that price was back in the consolidation rectangle and back above the primary of the two trend lines highlighted. Although neutral, a bullish piercing line pattern forming indicated underlying support in the market.
- The piercing line pattern was followed by a bearish engulfing candle below trend support, resulting in the futures selling lower. We are below all key moving averages supported by the RSI below 50.
- Downside moves that hold at or above USD 17,468 will support a longer-term bull argument.
- Technical outlook: Caution on upside moves
- The move below USD 19,315 implies that the probability of the futures trading to a new high within this phase of the cycle has started to decrease, indicating we are in wave C of the higher timeframe corrective phase. Bearish momentum confirmation suggests that upside moves should be considered as countertrend, providing we remain below the USD 20,330 support. However, a bullish Harami pattern is warning we are starting to see bid support, meaning we are becoming vulnerable to a move higher in the near-term. Like the piercing line pattern, this will need to be followed by a higher close tomorrow to signal an increase in buy-side pressure.

Panamax Q3 3-Year Seasonality with Max/Min Values



Panamax Cal 27



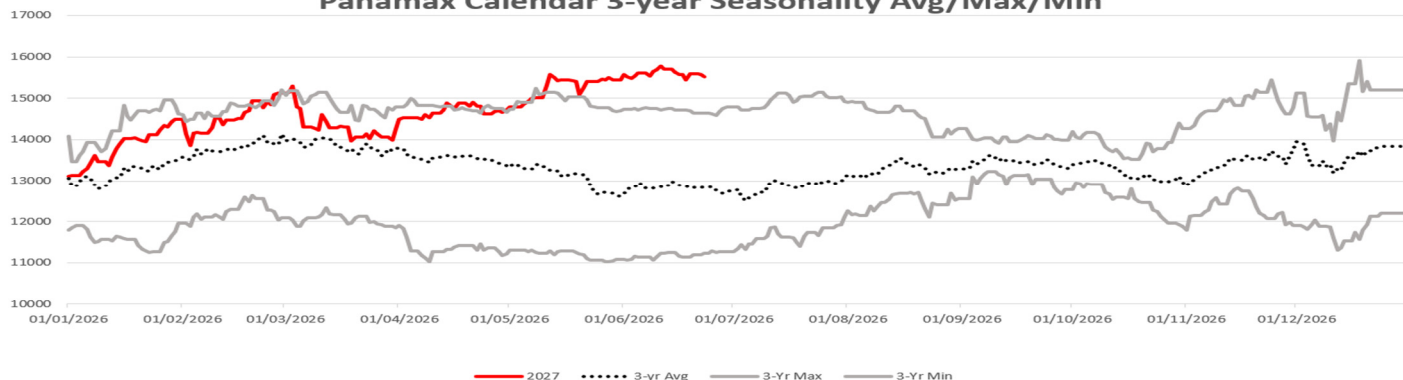
	Support	Resistance	Current Price	Bull	Bear
S1	15,101	R1	15,950	RSI above 50	
S2	14,825	R2	16,162		
S3	14,538	R3	16,464		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is above 50 (52)
- Stochastic is below 50
- Technical outlook previously: Divergent above USD 15,750
- Although there was a longer-term divergence in play last week, the move to a new high resulted in the RSI breaking near-term resistance, meaning resistance remained vulnerable. We had a bullish engulfing forming on trend support that also warned that we could move higher. We noted that price would be divergent above USD 15,750; however, we highlighted that it was important to remember that this was a condition, not a sell signal. Any divergence would need confirmation from price.
- The futures traded to a high of USD 15,875 before entering into a corrective phase on the negative divergence. We are seeing bid support today but we are below the 8-21 period EMA's while the RSI is above 50.
- Downside moves that hold at or above USD 14,538 will support a near-term bull argument, below this level the technical will have a neutral bias
- Technical outlook: Caution on higher moves
- Although price is seeing bid support today, the upside moves to a high of USD 15,875 failed to hold, resulting in a close back below the trend support line at USD 15,742. With price moving lower on the divergence, we are cautious on higher moves at this point. Market buyers will need to see a close and hold above the trend support line, with the divergence failing, to signal upside continuation.

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