



Panamax Technical Report

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Index

Technical outlook previously: Rejecting resistance

The downside move breached the USD 18,025 support, while the upside move has failed to reclaim the USD 21,060 resistance, warning the USD 17,896 support could be tested. However, throwbacks that hold above the USD 18,887 level will warn of underlying support in the market; conversely, below USD 18,887 would signal an increase in sell side pressure, supporting the rejection of the USD 21,060 resistance.

Sep 26

Technical outlook: Approaching support

We have a 100% Fibonacci projection support at USD 20,000, a Fibonacci retracement support at USD 19,975, alongside the daily 50-period MA at USD 19,757. The 3-wave pattern lower while approaching the support zone has the potential to attract buying interest, implying caution at these levels. However, a close and hold below the 50 period MA will leave the USD 19,391 support vulnerable. This is a key level on the technical; if broken it will warn of further deterioration.

Q4 26

Technical outlook: Sell side pressure increasing

An upside rejection candle on the 17/08 due to a negative RSI divergence warns of momentum weakness. If the RSI breaks its support line it will warn that price could test its trend support at USD 19,876 in the near-term. A close and hold below the support line would leave market sellers looking to test the USD 18,867 level. This is a key support to follow, throwbacks that hold at or above this level will signal that the broader trend remains supported. Conversely, a bullish support candle of the trend support line will also signal underlying market support.

Cal 27

Technical outlook: Negative divergence in play

The upside move to a new high has resulted in a negative RSI divergence. This is not a sell signal, it is a condition that warns buyside momentum could slow down; however, it will need to be monitored, as price is vulnerable to a technical throwback. On the buy side, we look to have seen a bullish Elliot wave extension (labelled) suggesting downside moves should be considered as countertrend, providing the USD 15,868 support is not breached. If it is, then the probability of price trading to a new high will begin to decrease.

Panamax Index



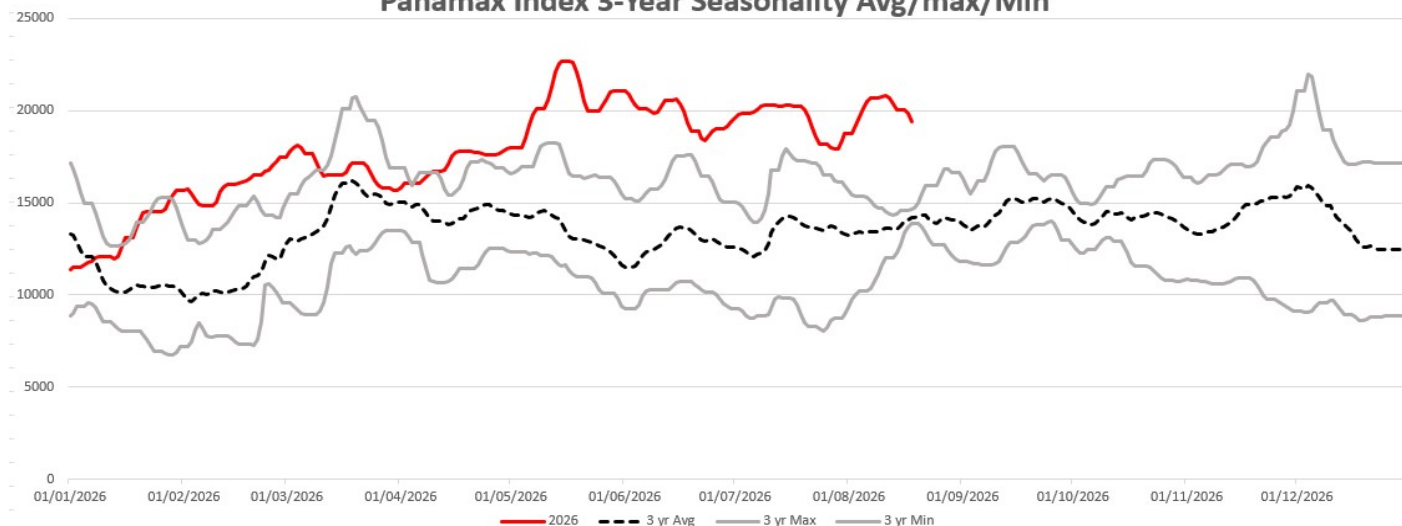
Support		Resistance		Current Price	Bull	Bear
S1	18,887	R1	21,060	19,391		RSI below 50
S2	18,025	R2	21,664			
S3	17,064	R3	22,691			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34 - 55 period EMA's
- RSI is below 50 (44)
- Stochastic is above 50
- Technical outlook previously: sell side pressure increasing
- We noted previously that price was moving lower on the negative reversal pattern having failed to reclaim the trend support line. The RSI was moving lower having failed to breach the 60 level, suggesting sell side pressure was increasing, warning the USD 18,406 fractal low could be tested and broken. We noted that market sellers should act with caution if price reclaimed the trend support line (technically now a resistance line) at 20,660.
- The index sold to a low of USD 17,896 before finding bid support to trade at a high of USD 20,813. Price is now selling lower with the index below the 34-55 period EMA's while the RSI is back below 50.
- Upside moves that fail at or below USD 21,060 will warn that support levels could come back under pressure.
- Technical outlook previously: Rejecting resistance
- The downside move breached the USD 18,025 support, while the upside move has failed to reclaim the USD 21,060 resistance, warning the USD 17,896 support could be tested. However, throwbacks that hold above the USD 18,887 level will warn of underlying support in the market; conversely, below USD 18,887 would signal an increase in sell side pressure, supporting the rejection of the USD 21,060 resistance.

Panamax Index 3-Year Seasonality Avg/max/Min



Panamax Sep 26 (1 Month forward)



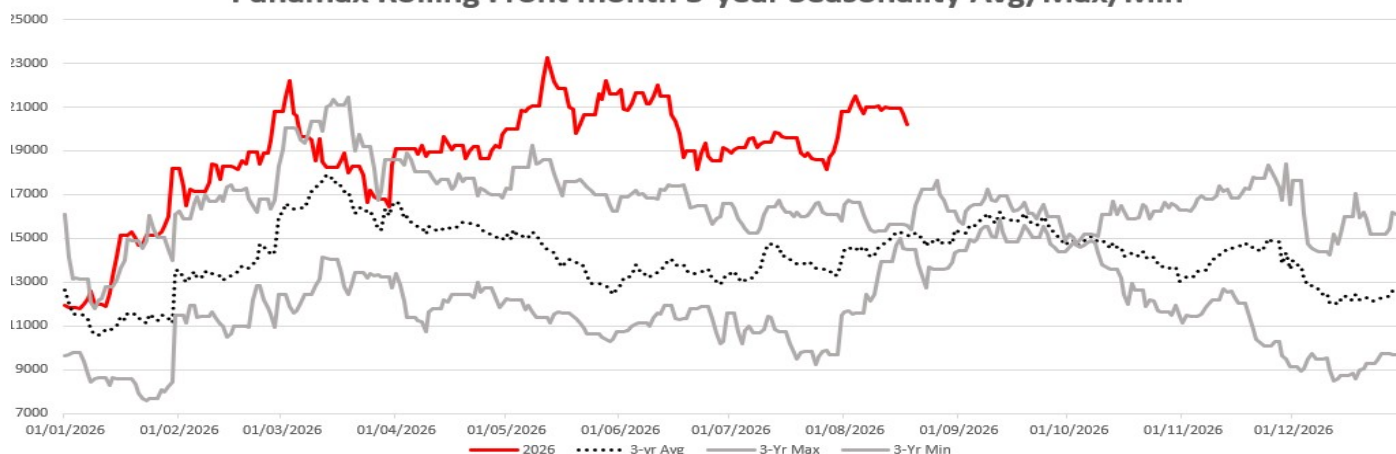
Support		Resistance		Current Price	Bull	Bear
S1	19,975	R1	21,394	20,200		RSI below 50
S2	19,391	R2	22,035			
S3	18,931	R3	22,601			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8– 21 period EMA's
- RSI is below 50 (49)
- Stochastic is above 50
- Technical outlook previously: Sell side pressure increasing
- We noted in the last report that both price and the RSI had broken trend support, signaling an increase in sell side pressure, meaning the USD 17,850 fractal low was becoming vulnerable. The RSI was at 39, we highlighted that if we held below the 40 level it would result in further deterioration in price; conversely, market sellers should act with caution if we reclaim the 40 level. Based on our Elliott wave analysis, we maintained our view that upside moves should be considered as countertrend.
- The futures sold to a low of USD 18,150 before finding bid support, the gap higher on the roll into September resulted in price trading to a high of USD 21,800. We are once again selling lower with price below the 8-21 period EMA's with the RSI near-neutral at 49.
- Downside moves that hold at or above USD 19,391 will support a bull argument, below this level the technical will re-enter bearish territory.
- Technical outlook: Approaching support
- We have a 100% Fibonacci projection support at USD 20,000, a Fibonacci retracement support at USD 19,975, alongside the daily 50-period MA at USD 19,757. The 3-wave pattern lower while approaching the support zone has the potential to attract buying interest, implying caution at these levels. However, a close and hold below the 50 period MA will leave the USD 19,391 support vulnerable. This is a key level on the technical; if broken it will warn of further deterioration.

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



Panamax Q4 26



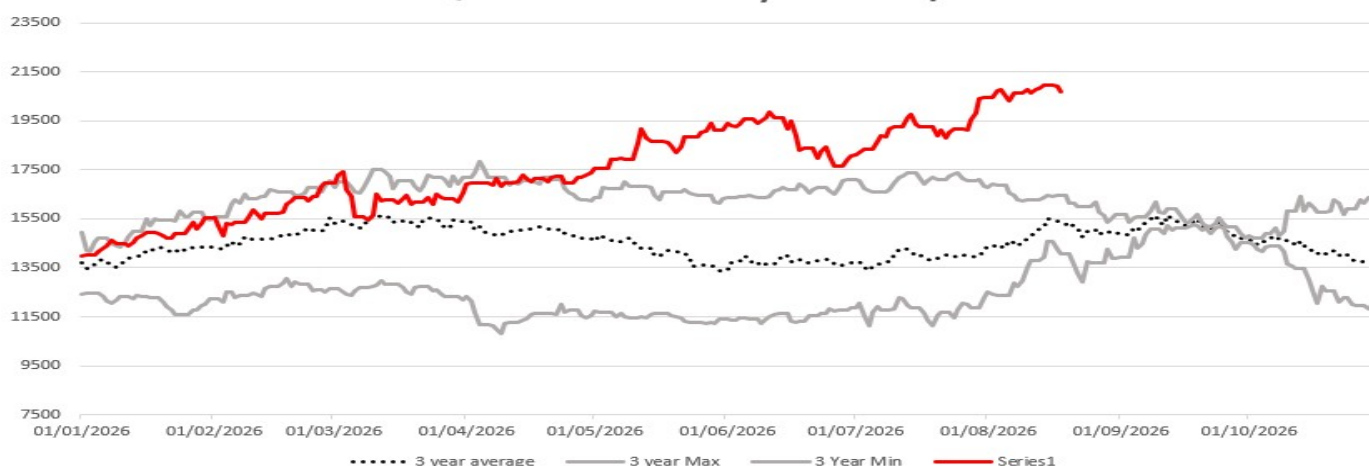
Support	Resistance	Current Price	Bull	Bear
S1	R1	20,650	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Technical outlook previously: Downside moves considered as countertrend
- Technically we are unchanged previously, price had entered a corrective phase; however, the bullish momentum confirmation highlighted previously suggested that downside moves should be considered as countertrend, providing we held above the USD 18,348 support. Below USD 18,348 the probability of price trading to a new high would begin to decrease.
- The futures traded at a high of USD 21,375 before coming under light selling pressure. We are between the 8-21 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above USD 18,867 will support a bull argument, below this level the probability of the futures trading to a new high will begin to decrease.
- Technical outlook: Sell side pressure increasing
- An upside rejection candle on the 17/08 due to a negative RSI divergence warns of momentum weakness. If the RSI breaks its support line it will warn that price could test its trend support at USD 19,876 in the near-term. A close and hold below the support line would leave market sellers looking to test the USD 18,867 level. This is a key support to follow, throwbacks that hold at or above this level will signal that the broader trend remains supported. Conversely, a bullish support candle of the trend support line will also signal underlying market support.

Panamax Q4 3-Year Seasonality with Max/Min values



Panamax Cal 27



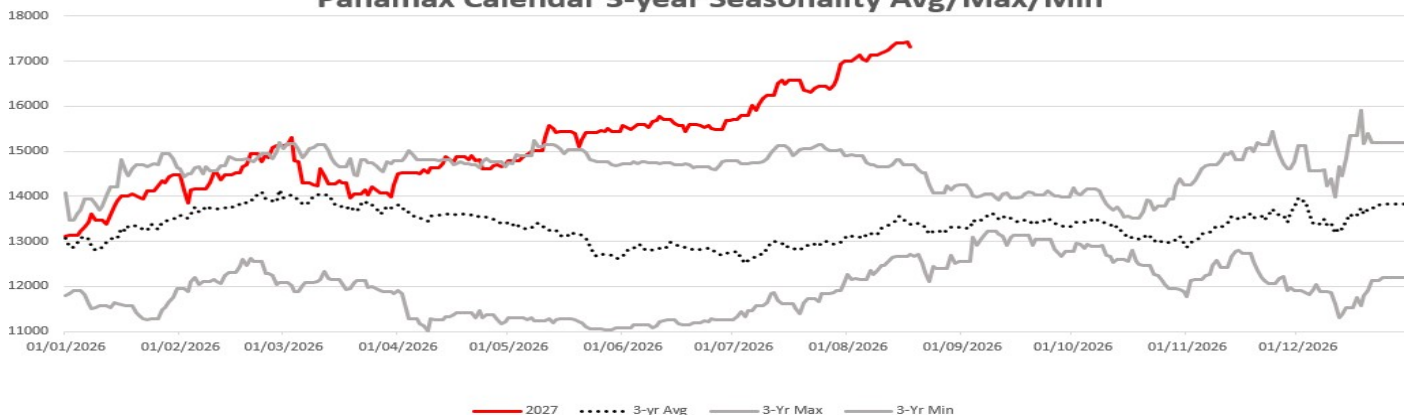
Support		Resistance		Current Price	Bull	Bear
S1	16,132	R1	16,611	17,325	RSI above 50	Stochastic overbought
S2	15,791	R2	16,947			
S3	15,375	R3	17,375			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Technical outlook previously: Downside moves considered as countertrend
- As highlighted previously, bullish momentum confirmation coupled with an Elliott wave extension implied that downside moves should be considered as countertrend. A light pullback had resulted in the RSI holding support, suggesting resistance levels remain vulnerable. If we did trade below the USD 15,791 level, then the probability of price trading to a new high would begin to decrease.
- The futures traded at new highs due to the bullish momentum confirmation. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 15,868 will support a bull argument, below this level the technical will have a neutral bias
- Technical outlook: Negative divergence in play
- The upside move to a new high has resulted in a negative RSI divergence. This is not a sell signal, it is a condition that warns buyside momentum could slow down; however, it will need to be monitored, as price is vulnerable to a technical throwback. On the buyside, we look to have seen a bullish Elliott wave extension (labelled) suggesting downside moves should be considered as countertrend, providing the USD 15,868 support is not breached. If it is, then the probability of price trading to a new high will begin to decrease.

Panamax Calendar 3-year Seasonality Avg/Max/Min



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