

# FIS Panamax Technical Report

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## *FIS Panamax Technical Report*

### Synopsis:

#### Index

The index remains in a neutral phase with price starting to weaken. Upside moves above the USD 11,157 would support short-term bullish price action. However, the technical remains vulnerable to further downside moves if it fails to trade above the USD 13,464 level.

#### Nov

The futures remain in a technical range between USD 13,050—USD 11,575. The EMA's are flat indicating a lack of trend with the RSI near the 50 level, again signalling neutrality. The longer term trend is technically bearish below USD 13,050, this is the key fractal resistance to the upside until a lower low has been made. A close below USD 12,177 would imply technical weakness and suggest the USD 11,575 support could be tested

#### Q4

If the Elliott wave count is correct then we have a bearish head and shoulders pattern forming that is supported by a neutral RSI and an overbought stochastic. Price above the USD 12,475 level is near-term bullish, targeting USD 12,879; above this level the pullback is considered as deep and the phase neutral. Downside moves below USD 11,950 would signal a weakening technical and suggest the bearish head and shoulders pattern is coming into play. **Last week synopsis remains relevant with just a little to add on. If price trades above the USD 12,060 the price momentum is seen as improving; however to be considered as bullish and a head and shoulders failure we need to see price above the USD 12,775 level.**

#### Cal 21

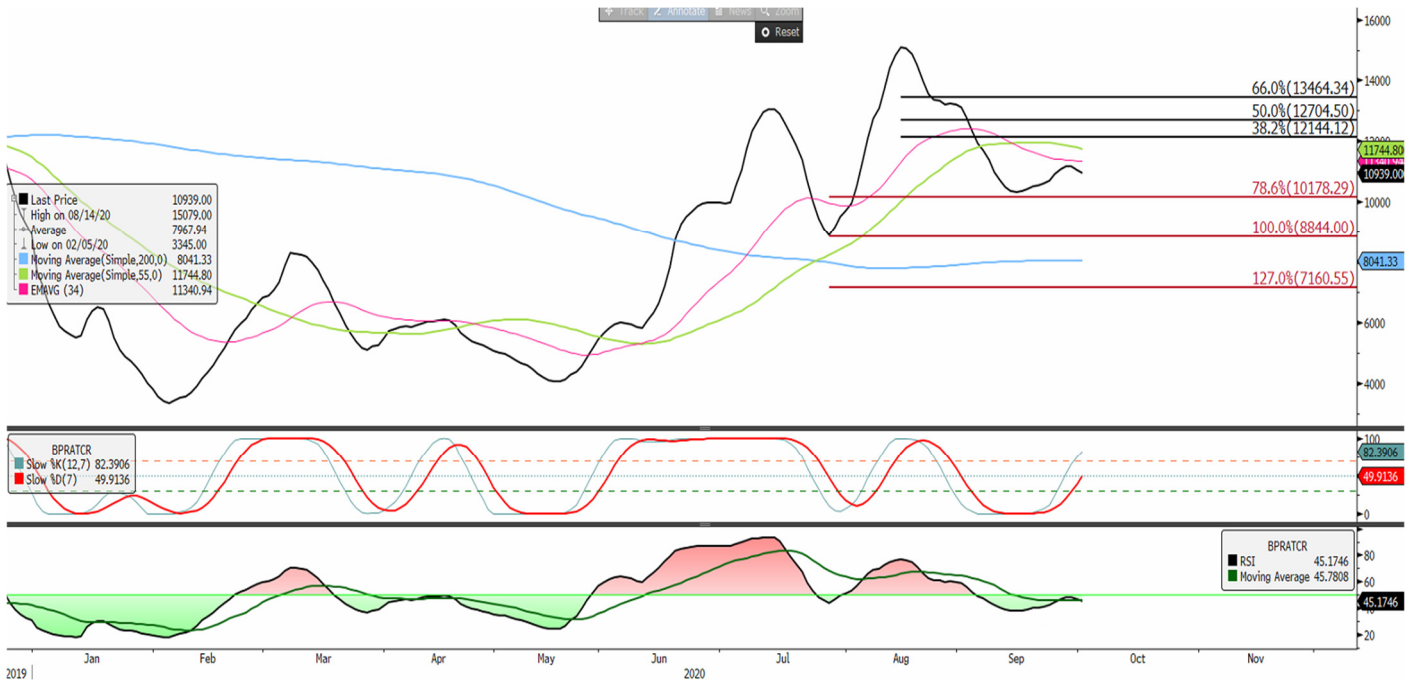
Having achieved our upside target the futures have now pulled back from their highs. Downside moves below the USD 10,021 level would be considered as deep, taking the trend to neutral form bullish. This would also increase the probability of cycle completion. Upside moves that close above the USD 10,273 level would imply bullish price momentum, suggesting we could see another test off the highs.

Chart Source Bloomberg

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## Panamax Index



	Support	Resistance	Current Price	Bull	Bear
S1	10,178	R1	12,144		RSI below 50
S2	8,844	R2	12,704		
S3	7,160	R3	13,464		

### Synopsis - Intraday

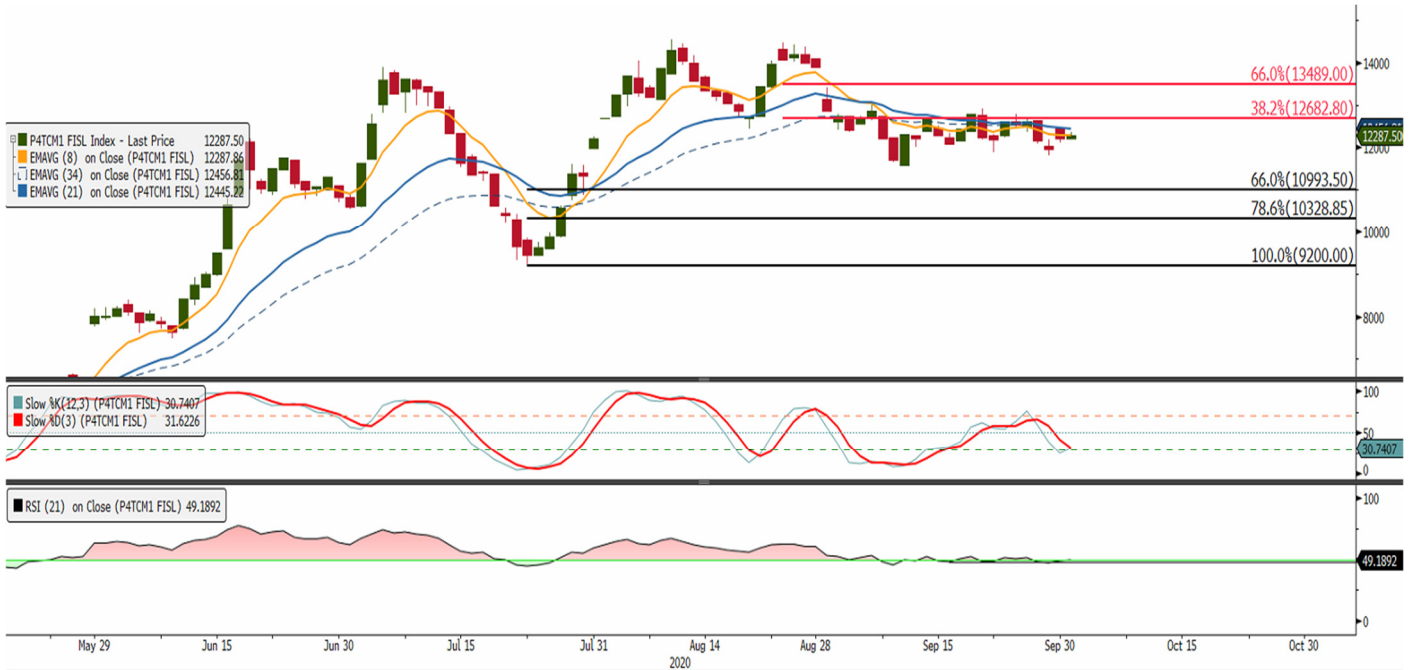
Chart source Bloomberg

- Price is below the 34 EMA and 55 MA
- RSI is below 50
- Stochastic is at 50
- The index is finding resistance at the 34 period EMA and is now heading lower. The RSI did get above 45 to indicate momentum was starting to firm but has failed to move above 50 into bullish territory. Price is rejecting the EMA and the RSI is rejecting the 50 level suggesting we could have another test of the USD 10,330 support
- Upside moves above the USD 11,157 level would indicate price momentum is turning bullish with a near-term upside target between USD 12,144—USD 13,464. Upside moves that fail at or below the resistance zone remain vulnerable to further tests to the downside
- Technically neutral based on the depth of the pullback from the USD 15,079 high

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## Panamax Nov 20 (Rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	11,800	R1	12,682	Stochastic oversold	RSI below 50
S2	11,575	R2	13,050		
S3	10,993	R3	13,489		

### Synopsis - Intraday

Chart source Bloomberg

- RSI is below 50
- Stochastic oversold
- Price is below 8 –21 period EMA's
- The rolling front month futures (November) remain in a technical range between USD 13,050—USD 11,575
- The EMA's are flat with the RSI at 48 (close to neutral) both supporting a market with a lack of trend
- Upside moves above the USD 13,050 level would break fractal resistance and be considered as bullish based on price. Likewise, downside moves that trade below the USD 11,575 level would break fractal support and signal downside continuation
- Technically neutral, price action that closes below USD 12,177 would indicate a weakening technical and suggest the USD 11,575 support could be tested

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## Panamax Q4



	Support	Resistance	Current Price	Bull	Bear
S1	11,625	R1	12,060	Stochastic oversold	RSI below 50
S2	11,495	R2	12,775		
S3	11,261	R3	12,925		

### Synopsis - Intraday

Chart source Bloomberg

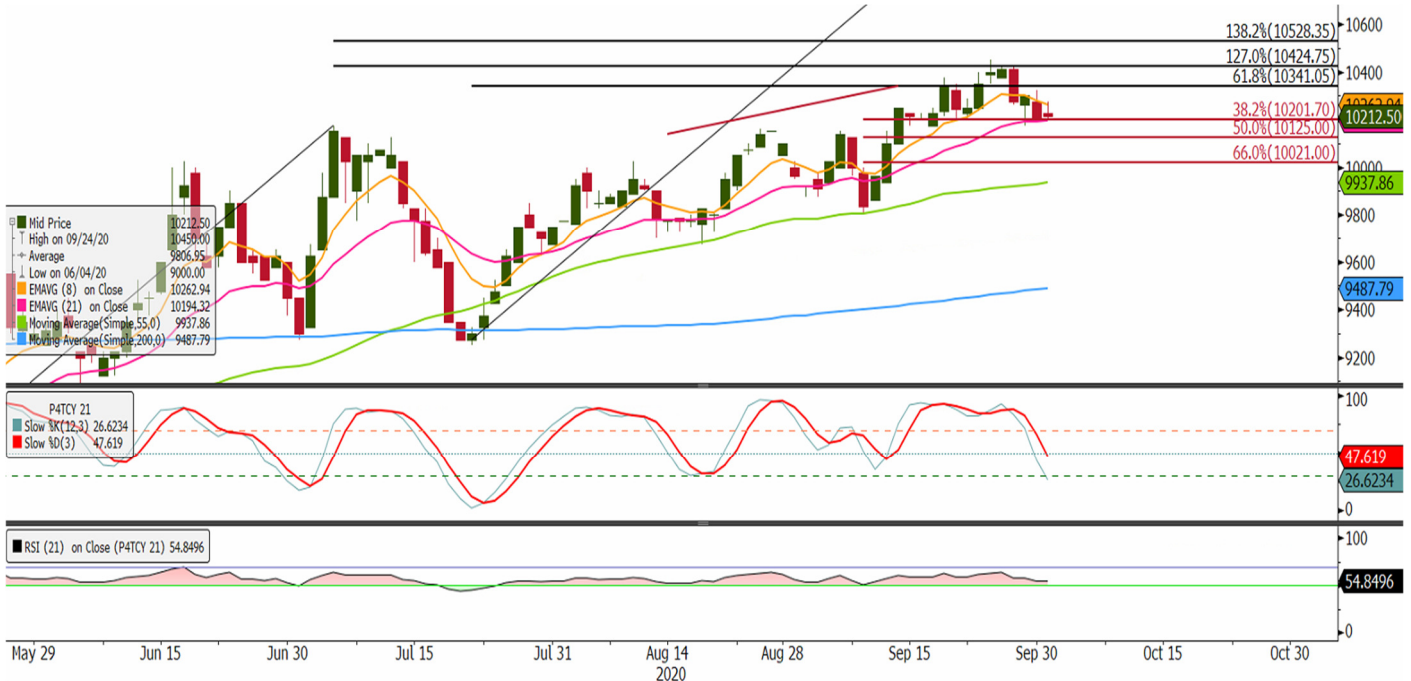
- Price is below the 8–21 period EMA
- RSI is below 50 (47)
- Stochastic is oversold
- On the last report we talked about the Elliott wave cycle looking like it was corrective with a potential for a head and shoulders formation. From a technical perspective little has changed, the right shoulder is forming, however the pattern remains incomplete
- Downside moves below USD 11,261 would confirm that the H&S pattern is complete and signal downside continuation
- Upside moves above the USD 12,060 level would suggest daily price action is starting to firm, in what would be considered as a countertrend move until price trades above USD 12,775. At this point the futures will have made a new high and be considered as technically bullish
- Technically bearish, the oversold stochastic is warning that downside momentum is looking a little overdone. This is all about the H&S pattern, if it completes the selling argument becomes stronger

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## Panamax Cal 21



	Support	Resistance	Current Price	Bull	Bear
S1	10,201	R1	10,341	RSI above 50	
S2	10,125	R2	10,424		
S3	10,021	R3	10,528		

Chart source Bloomberg

### Synopsis - Intraday

- Price action is between the 8 – 21 period EMA
- RSI is above 50 ( 54)
- Stochastic is neutral
- As previously highlighted the futures had reached our USD 10,341 target opening up the possibility to an Elliott wave cycle completion
- Price is now showing a technical pullback; however, at this point it is a little early to confirm wave completion as the trend remains technically bullish. Downside moves below the USD 10,021 level would be considered as deep meaning the technical phase would be considered as neutral, not bullish. This would also increase the probability that we have seen cycle completion
- Upside moves the close above the USD 10,273 level would indicate price momentum is turning bullish opening the possibility of upside resistance levels being tested once again
- Technically bullish, potentially in the early stages of a corrective phase