

FIS Panamax Technical Report

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FIS Panamax Technical Report

Synopsis:

Index

On the last report we highlighted the upside move had been considered as countertrend based on the previous Elliott wave count. The futures have failed at the resistance zone with the stochastic in over-bought territory, warning that momentum and price are vulnerable to further tests to the downside. The current close is also considered as technically bearish based on lower closes. Upside moves need to trade above USD 13,464 to take the technical into a neutral phase. Technically we look to be completing the upside wave B and are potentially in the early stages of a bearish wave C.

Nov

We highlighted the neutral symmetrical triangle with upside moves being considered as countertrend. We also highlighted that a break from the symmetrical needed to happen before the 16-10-20 for it to be considered as reliable, this has been the case. The deep pullback has now confirmed the bull cycle has completed, with price action entering the Fibonacci support zone. Momentum supports bearish price action suggesting upside moves should still be considered as countertrend.

Q4

The hot topic for the last two weeks has been the potential H&S pattern that has been forming. Price is now in the process of breaking the neckline. If successful and price holds below the neckline, the technical is considered as bearish giving a downside target based off Fibonacci projection between USD 9,763—USD 9,037. Upside moves need to trade above the USD 12,575 level to be considered as bullish.

Cal 21

The futures were not considered a technical buy last week and have now broken the USD 10,175 support, meaning it was considered as corrective. Price remains above the USD 9,800 support meaning we have not made a lower low. A close below the 55 period MA does give a potential near-term target of USD 9,538. Upside moves need to trade above the USD 10,350 level to create a higher high and be considered as bullish.

Chart Source Bloomberg

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Panamax Index



	Support	Resistance	Current Price	Bull	Bear
S1	9,912	R1	12,144	RSI above 50	Stochastic overbought
S2	9,361	R2	12,704		
S3	8,810	R3	13,464		

Synopsis - Intraday

Chart source Bloomberg

- Price is between the 34 EMA and 55 MA
- RSI is above 50 (50)
- Stochastic is overbought
- On the last report we highlighted that the upside moves looks to be countertrend based on the bullish 5-wave pattern that started in Jan 20. The index has held below the resistance zone with today's index showing a bearish close indicating we could be about to enter a downside move
- The RSI is at 50 with the stochastic overbought. Momentum is warning that the technical is vulnerable to another test to the downside
- Upside moves need to trade above USD 13,464 to take the technical from bearish to neutral based on the current Elliott wave count
- Technically the upside move had been regarded as countertrend and is now starting to weaken based on the current close. Near-term downside target/support is between USD 9,912—USD 8,810

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Panamax Nov 20 (Rolling Front Month)



	Support	Resistance	Current Price	Bull	Bear
S1	10,993	R1	11,575		
S2	10,328	R2	12,682		RSI below 50
S3	9,200	R3	13,489		

Synopsis - Intraday

Chart source Bloomberg

- RSI is below 50 (49)
- Stochastic oversold
- Price is on the 8 -21 period EMA's
- On the last report we highlighted the symmetrical triangle as a neutral pattern. We also highlighted upside moves should be considered as countertrend. Price action has now broken to the downside. We also highlighted that for the downside break to be considered as reliable (in terms of the symmetrical) it needed to break before the 16-10-20, which has been the case
- The RSI is now below 50 in bearish territory, the stochastic is heading lower meaning momentum and price are weakening together
- The pullback is below the USD 10,993 level indicating the pullback is considered as deep. The longer -term trend has exited its bull phase, confirming it is in a bear cycle
- Upside moves above the USD 12,097 would indicate price action is improving. However, as price has been in a range this level will drop faster over the coming days as it is based on average pricing
- Technically bearish, upside moves should still be considered as countertrend

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Panamax Q4



	Support	Resistance	Current Price	Bull	Bear
S1	10,249	R1	11,625	10,975	Stochastic oversold
S2	10,025	R2	12,575		
S3	9,800	R3	12,775		

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 8–21 period EMA
- RSI is below 50 (39)
- Stochastic oversold
- For the last two reports we have been highlighting that we are potentially on the right shoulder of a bearish head and shoulders pattern, which this has been the case. The futures have traded lower and are in the process of breaking the H&S neckline support, warning of further technical weakness
- Near-term downside targets based on the H&S pattern start at USD 10,249
- Upside moves above USD 11,825 would warn of strengthening price action. However to be considered as technically bullish price would need to trade above USD 12,575 at this point
- If the H&S neckline break and holds, then we have the potential to trade down to the USD 9,800—USD 9,075 area

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Panamax Cal 21



	Support	Resistance	Current Price	Bull	Bear
S1	9,800	R1	10,341	RSI above 50	
S2	9,675	R2	10,424		
S3	9,250	R3	10,528		

Chart source Bloomberg

Synopsis - Intraday

- Price action is below the 8 – 21 period EMA
- RSI is above 50 (52)
- Stochastic is neutral
- Not a technical buy last week and soon a potential technical sell; this was the verdict based on the double top and RSI divergence. Price has moved lower but we have not yet broken the USD 9,800 fractal support. Due to the double top having not made a higher high this move is still considered corrective until we trade below USD 9,800
- Upside moves above USD 10,350 would be considered as bullish based on the higher high in the market
- Technically corrective the RSI is now below 50 with the futures below the 55 period MA. A close below the 55 period MA would indicate that the next potential downside target is the 200 period MA, at USD 9,538