

FIS Panamax Technical Report

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FIS Panamax Technical Report

Synopsis:

Index

Having triggered upside momentum signals the index is now USD 1,200 higher. A higher high with price above all key moving averages is supporting bullish price action. The two waves down since October the 12th does suggest this could be a wave B countertrend move ,at this point as price is about to create a bearish hidden divergence. Not a sell signal it does warn that momentum is moving faster than price leaving the technical vulnerable to downside moves.

Dec

The December futures triggered an upside buy signal on the last report above the USD 9,700 level. The futures have entered an upside move resulting in price producing a deep pullback into the resistance zone. Near-term bullish, a negative divergence on the 4—hour technical is warning that we have the potential to see upside momentum exhaust soon. Form a technical perspective the futures are not considered a buy at this point.

Q1 21

The upside moves has taken the technical into a neutral phase. However, intraday price action has the potential to produce a negative divergence above USD 8,775, warning we could potentially be about to enter a corrective phase. A neutral RSI and overbought stochastic would support the intraday divergence. Technically we maintain our view that this upside moves continues to look to be countertrend at this point.

Cal 21

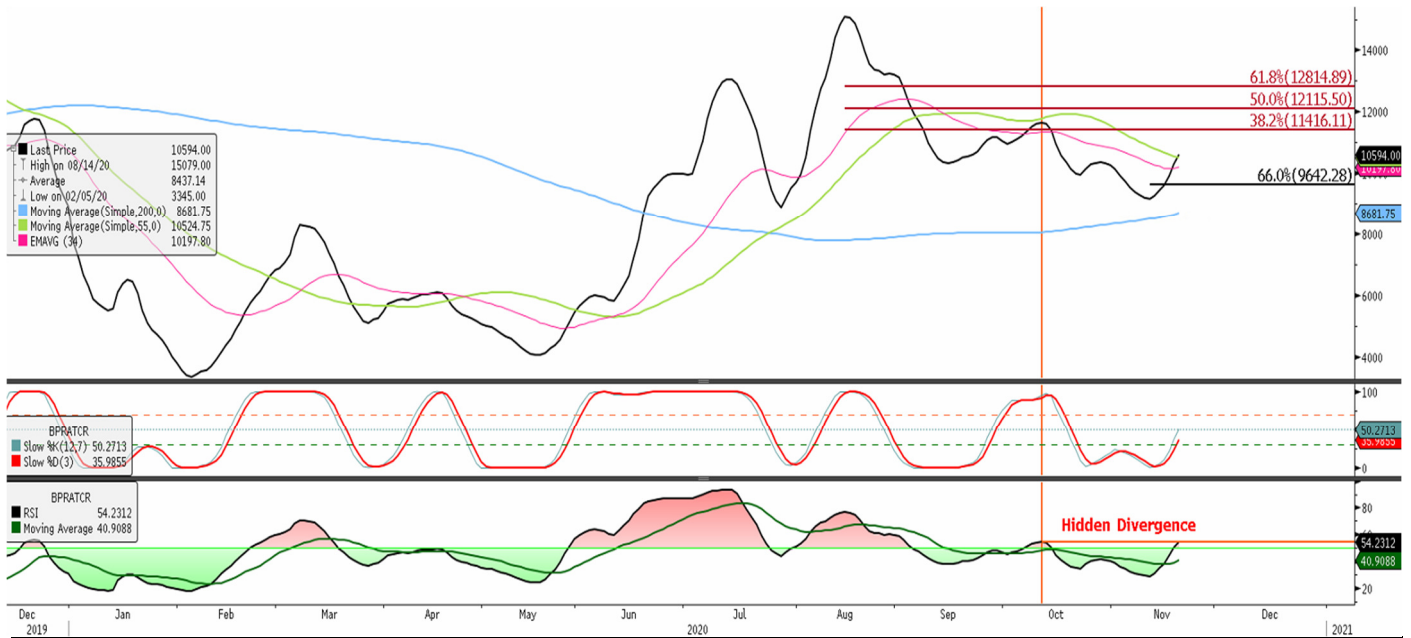
Like the rest of the Panamax complex the intraday technical is suggest we should trade up to a new high (Above USD 10,050) before triggering a negative divergence. The RSI at 50 and an overbought stochastic does leave the technical vulnerable to downside price action. Upside resistance/target is between USD 10,100—USD 10,300, whilst downside moves below the USD 9,703 level would warn the technical picture is weak.

Chart Source Bloomberg

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Panamax Index



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|--------|
| S1 | 10,043 | R1 | 10,594 | RSI above 50 | |
| S2 | 9,873 | R2 | | | 12,115 |
| S3 | 9,642 | R3 | | | 12,814 |

Synopsis - Intraday

Chart source Bloomberg

- Price is above all key moving averages
- RSI is above 50 (54)
- Stochastic is below 50
- Technically bearish but looking overextended to the downside on the last report. The index printed above USD 9,424 on the same day the RSI printed 38, supporting bullish price action. The index is now USD 1,200 higher.
- Price is now above all key moving averages having made a higher high in the market supporting a buyers argument.
- The near-term upside resistance zone is between USD 11,416—USD 12,814. Price action that fails at or below the support zone remains vulnerable to further tests to the downside
- The near-term technical is now showing bullish price action having produced two waves lower since October the 12th, suggesting the current upside move could be a countertrend wave B. However, price action above the resistance zone would open the possibility of this being a new bull cycle.
- Note. The RSI is at 54 but the price is below the 11,650 level warning we could be about to produce a bearish hidden divergence. This is not a sell signal but will need to be monitored

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Panamax Dec 20 (Rolling Front Month)



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|------|--------------|
| S1 | 10,107 | R1 | 10,918 | | |
| S2 | 9,925 | R2 | 11,400 | | RSI below 50 |
| S3 | 9,677 | R3 | 12,007 | | |

Synopsis - Intraday

Chart source Bloomberg

- RSI is below 50 (38)
- Stochastic oversold
- Price is below the 8 -21 period EMA's
- Holding support last week the futures traded above the USD 9,700 level with the RSI above 40, indicating near-term bullish price action. The pullback is now considered as deep and the technical phase as neutral
- Price is above short and medium term MA's, with the RSI at 50. Neutral based on Price and the RSI, the intraday RSI is now showing a negative divergence warning of the potential for a momentum slowdown soon
- A close on the intraday 4-hour chart below USD 10,483 with the RSI at 58 or lower would warn that we could be entering a corrective phase
- Technically price action is making higher highs on the daily candle indicating near-term bullish momentum; however, the intraday divergence is warning the upside move is showing signs of exhaustion implying we have the potential to enter a corrective phase soon

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Panamax Q1 21



| | Support | Resistance | Current Price | Bull | Bear | |
|----|---------|------------|---------------|-----------|-----------------------|-------|
| S1 | 8,464 | R1 | 8,625 | RSI at 50 | Stochastic overbought | |
| S2 | 8,368 | R2 | | | | 8,781 |
| S3 | 8,238 | R3 | | | | 8,887 |
| | | | | | 9,013 | |

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 8–21 period EMA
- RSI is at 50 (50)
- Stochastic in overbought
- On the last report we had the Q1 futures as bearish with downside moves that trade above the USD 7,819 level supporting a near-term buyers argument. Support held, with no bear move at this point resulting in a move USD 600 higher
- The deep pullback has taken the technical into a neutral phase. Price is above the 8-21 period EMA's with near-term upside target/resistance between USD 8,781–8,887 based on recent upside price movement.
- The RSI at 50 is in neutral territory with the stochastic overbought, leaving the technical vulnerable to further test to the downside
- The 4–hour intraday will enter a divergence above the USD 8,775
- Technically upside moves look limited based on the intraday divergence, suggesting we have the potential to enter a corrective phase soon

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Panamax Cal 21



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------------|-----------------------|
| S1 | 9,849 | R1 | 10,050 | RSI above 50 | Stochastic overbought |
| S2 | 9,787 | R2 | 10,100 | | |
| S3 | 9,703 | R3 | 10,350 | | |

Chart source Bloomberg

Synopsis - Intraday

- Price action is above the 8 – 21 period EMA
- RSI is above 50 (51)
- Stochastic is overbought
- No further tests to the downside resulted in the futures going on to make new highs.
- A bearish rejection candle yesterday at the 55 period MA is warning that technical sellers are in the market at higher levels on the back of a neutral RSI and overbought stochastic.
- Like the rest of the Panamax complex, intraday wave analysis would suggest we should go onto make a new high. However, this will also trigger a negative divergence warning of a potential momentum slowdown
- Downside moves that trade below the USD 9,703 level would be deep, warning that we have the potential to test the 9,350 area once again
- Bullish but not a buy