



Panamax Intraday Morning Technical

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

Panamax Nov 22 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	18,850	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot level USD 17,583
- Technically bearish with momentum to the buyside yesterday, we remained cautious due to the resistance zone between USD 17,500 – USD 19,300. As noted on the close report last night, seasonality charts on the index suggested that although this might not have been the year for seasonality, 6 of the last 7 years have been bullish on the index until mid-October, suggesting resistance levels could come under pressure in the near-term. However, 5-year seasonality tops out around the 22/10 before heading south, implying we may be right on this move being a countertrend wave 4. The futures have moved higher with price above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 17,583 with the RSI at or below 46.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 16,871 will support a near-term bull argument, below this level the USD 15,800 fractal support becomes vulnerable.
- Based on index seasonality and current price and momentum, the USD 19,300 high is starting to look vulnerable. If we close above and hold above the USD 19,300 level it is going to bring an inverse head and shoulders pattern into play, this doesn't mean the futures are going to see an USD 11,000 upside move, but it will warn that the USD 21,476 and USD 23,101 resistance will be vulnerable. This technical is nearing key levels, seasonality supports further upside in the short term, as does inverse H&S pattern if it comes into play. However, the same seasonality charts also support another test to the downside around the 22/10 and this needs to be monitored closely. This hasn't been the year for seasonality, but it does fit with the Elliott wave count. Note the wave count is just a psychological footprint of the market, it has served us well for a good couple of years, but they can and do fail at times. If we close above USD 19,300 then the near-term technical will have bullish momentum behind it.

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