

FIS Panamax Intraday Morning Technical

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

Panamax Oct 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	14,053	R1	14,516	14,100	Stochastic oversold	RSI below 50
S2	13,560	R2	15,626			
S3	12,675	R3	16,450			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot USD 14,516
- We remain bullish but in a corrective phase yesterday with the MA on the RSI implying that momentum remained weak. The futures had tested but were holding above the USD 14,453 support; however, we were below the 55-period EMA (USD 14,760), whilst below the average, support levels were vulnerable. A close back above the EMA would indicate that there was an underlying support in the market. As noted previously, there was a larger bullish Elliott wave cycle in play, if we traded below USD 14,453, then the probability of the futures trading to a new high in the lower timeframe cycle would start to decrease, warning that the probability that we had entered the higher timeframe correction would start to increase. At that point, we were at an inflection point, as we were on the 55-period EMA, downside moves were still considered as countertrend.
- The futures continued to sell lower with price below all key intraday moving averages and the USD 14,453 support. The RSI is below 50 whilst intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 14,516 with the RSI at or above 55 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 11,475 will support the longer-term bullish Elliott wave cycle, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the MA on the RSI implies that momentum remains weak. The futures are now trading two standard deviations below the linear regression line (USD 14,053), suggesting price is a little overextended to the downside in the near-term. The move below USD 14,453 is warning that price is potentially entering the higher timeframe corrective wave 4, making USD 15,626 the key resistance to follow, upside moves that fail at or below this level will warn that there is further downside within the corrective phase. Due to the linear regression support, we have a note a caution on moves lower in the near-term.

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