



Panamax Intraday Morning Technical

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

Panamax Aug 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	19,175	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Price is above the daily pivot USD 18,883
- Technical outlook previously: Caution on upside moves
- We noted previously that the RSI had negative velocity (below 50) but positive acceleration (moving higher); however, price is not making new highs alongside the RSI, meaning we had a negative reversal pattern in play, implying caution on higher moves. We also highlight polarity resistance between USD 19,350—USD 19,425, our Elliott wave analysis suggested upside moves should be considered as countertrend while below the USD 20,622 resistance. Above the USD 20,622 resistance the probability of price trading to a new low would begin to decrease. We had highlighted in the close report that both the Capsize and Supramax front month futures were moving higher on positive divergences that had been confirmed by price, this needed to be monitored, as it suggested the there Panamex cycle was not synchronized with its sisters. Saying that, our focus was on the technical in front of us, which suggested caution on higher moves at that point.
- The futures are seeing bid support with price above the 8-21 period EMA's while the RSI is near-neutral at 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 18,883 with the RSI at or below 45 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 20,622 will leave the futures vulnerable to further tests to the downside.
- Technical outlook: Inflection point
- Based on our Elliott wave analysis we maintain a cautious approach to upside moves while below the USD 20,622 resistance; however, we are seeing signs of bid support, as we now have two failed swing lows (highlighted in red) that warn of under lying support in the market. We have tested but remain below the USD 19,350 level, meaning the negative reversal pattern is still in play, we also continue to highlight the polarity resistance between USD 19,350 and USD 19,425. A close and hold above the USD 19,425 level will signal an increase in buy side pressure, warning Fibonacci resistance could be tested. Conversely, market longs should act with caution on a move below the USD 18,575 fractal support. Price is now at an inflection point due to the reversal pattern and polarity resistance.

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