FIS

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	19,498	R1	19,716	19,950	RSI above 50	Stochastic overbought
S2	19,173	R2	20,133			
S3	18,923	R3	20,605			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (52)
- Stochastic is overbought
- Price is above the daily pivot USD 19,716
- Technical outlook previously: Neutral
- Price was holding above the polarity resistance with the RSI making new highs yesterday, meaning we had bullish momentum confirmation, implying buyside pressure was increasing. However, we continued to be conscious that our Elliott wave cycle implied that upside moves should be considered as countertrend, and highlight the 200-period MA at USD 20,125 as a potential area of resistance. Downside price action that closed and held below the trend support line at USD 19,388 would signal an increase in sell side pressure. Although buyside pressure was increasing with the move above the polarity resistance, we maintained a cautious approach to higher moves.
- Price is starting to see lower but remains above the trend support line at USD 19,498. We are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 19,716 with the RSI at or above 58 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 20,605 will leave the futures vulnerable to further tests to the downside.
- Technical outlook: Inflection point
- The RSI is in the process of potentially breaking trend support; if we are, it could forewarn that sell side pressure is increasing. Weakening momentum is not prerequisite to weakening price. For confirmation that price is weakening, we will need to see a close and hold below the trend support line at USD 19,498. We are currently at an inflection point due to the support line; however, we highlight that the RSI has failed to hold above the 60 line, while are Elliott wave analysis indicates upside moves should be considered as countertrend while below the USD 20,605 resistance.