FIS

Panamax Technical Report

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Technical outlook: Buyside pressure increasing

The RSI held the 40 level with the subsequent upside move above the USD 21,060 signaling an increase in buyside pressure. The move higher is supported by a failed swing low and a break in fractal resistance, warning the USD 22,691 resistance could be tested and broken. Market buyers should be cautious on a close below the weekly pivot level at USD 20,282 as it would suggest that sellers are becoming dominant.

Oct 26

Technical outlook: Downside moves considered countertrend

The upside move to new highs following the roll into October is supported by the RSI moving above 70. The renewed buyside pressure has resulted in a bullish Elliott wave extension, implying downside moves should be considered as countertrend, providing throwbacks hold above the USD 21,571 support. We note that the current wave is more than 161.8% than that of the previous wave, supporting our analysis that we are looking at a bullish wave extension.

Q4 16

Technical outlook: Downside moves considered as countertrend.

The upside move to a new high has resulted in a lower timeframe bullish Elliott wave extension, suggesting downside moves should be considered as countertrend, making USD 21,636 the key near-term support to follow. Throwbacks that breach the USD 21,636 level would suggest that price is entering a higher timeframe corrective phase. A close below the low of the last dominant bull candle at USD 22,800 would indicate sell side pressure is increasing, warning price is entering a corrective phase.

Cal 27

Technical outlook: Downside moves considered as countertrend.

The upside move to new highs has resulted in the divergence failing, meaning we have positive velocity and positive acceleration (bullish momentum confirmation). With price failing to produce a significant intraday pullback since last week, our Elliott wave analysis continues to suggest that downside moves should be considered as countertrend, providing throwbacks hold above the USD 17,436 level.

Panamax Index

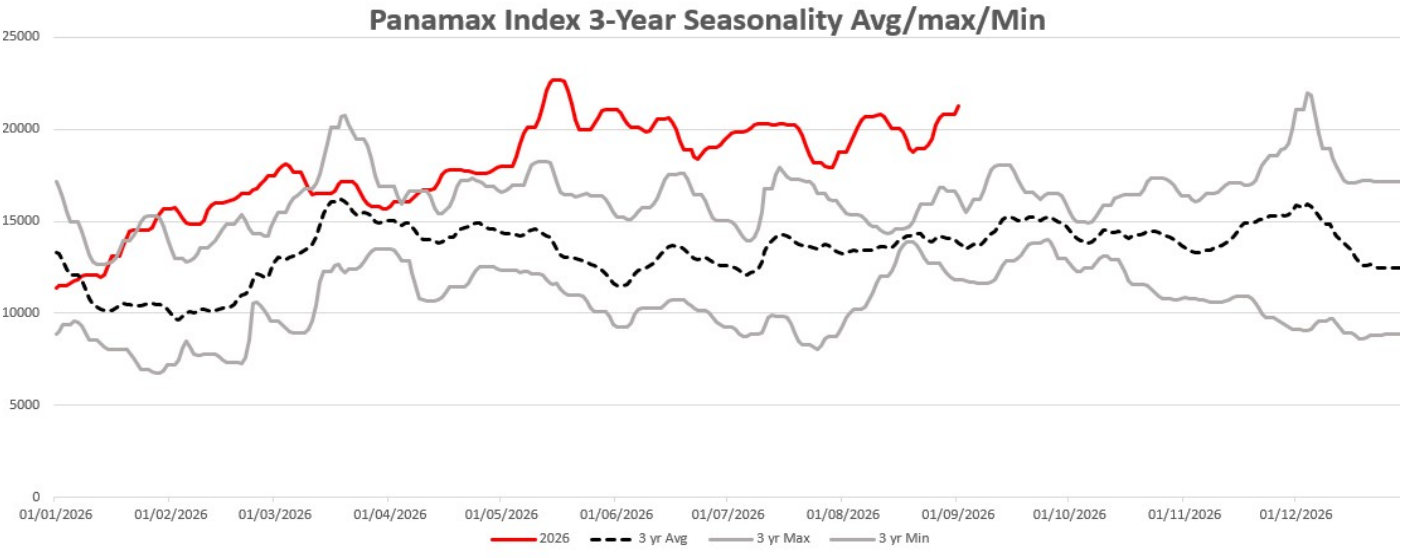


Support		Resistance		Current Price	Bull	Bear
S1	19,621	R1	21,664	21,237	RSI above 50	Stochastic overbought
S2	18,025	R2	22,691			
S3	17,064	R3	23,509			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (67)
- Stochastic is overbought
- Technical outlook previously: Neutral
- The upside rejection of the USD 21,060 level previously had been followed by a breach in the USD 18,887 support, indicating sell side pressure had started to decrease. However, the RSI was holding the 40 level, signaling momentum remained supported. This conflic-tion meant that we had a neutral bias. If we did see further downside moves, supported by the RSI breaking and holding below 40, then it would warn of further deterioration.
- The RSI held above 40 resulting in price trading back above the USD 21,060 resistance. We are above all key moving averages sup-ported by the RSI above 50.
- Downside moves that hold at or above USD 19,621 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Buyside pressure increasing
- The RSI held the 40 level with the subsequent upside move above the USD 21,060 signaling an increase in buyside pressure. The move higher is supported by a failed swing low and a break in fractal resistance, warning the USD 22,691 resistance could be tested and broken. Market buyers should be cautious on a close below the weekly pivot level at USD 20,282 as it would suggest that sellers are becoming dominant.



Panamax Oct 26 (1 Month forward)

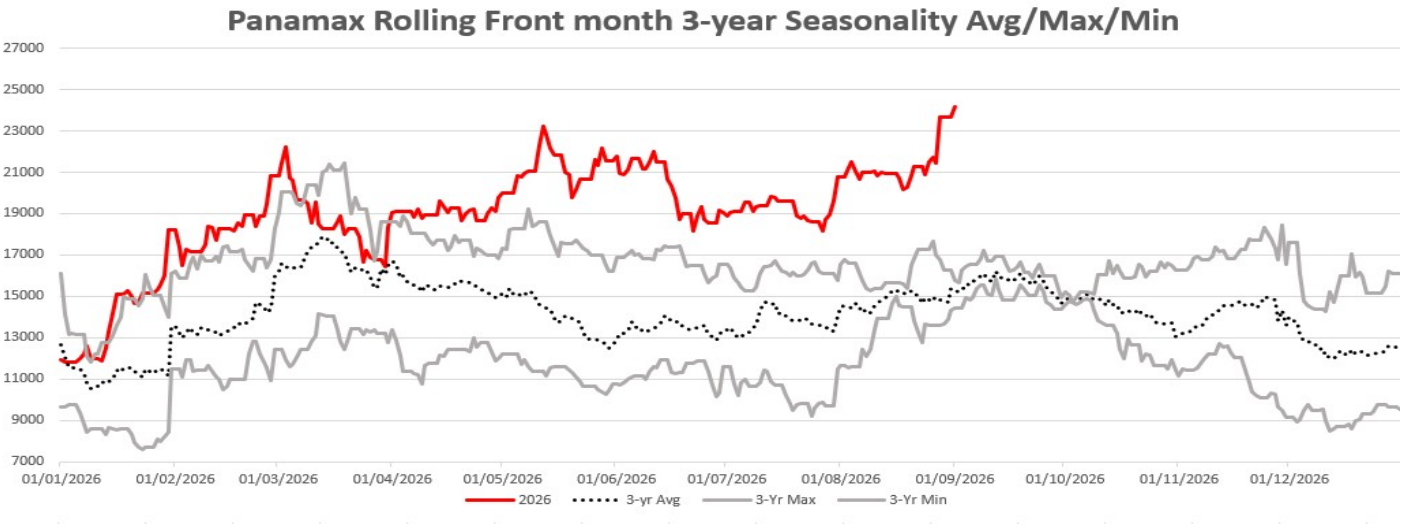


Support		Resistance		Current Price	Bull	Bear
S1	22,815	R1	25,450	24,525	RSI above 50	Stochastic overbought
S2	22,287	R2	26,435			
S3	21,571	R3	27,275			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8– 21 period EMA's
- RSI is above 50 (77)
- Stochastic is overbought
- Technical outlook previously: Buyside pressure increasing
- We noted last week that a three wave pattern lower had been followed by a break in the fractal resistance at USD 19,950, signaling buyside pressure was on the increase. A bearish Harami pattern had formed; however, price remains supported. Upside moves above USD 21,400 had the potential to signal renewed buyside pressure, if we did, it will warn that the USD 21,800 fractal resistance could be tested.
- The futures traded above the USD 21,400 signaling buyside pressure was increasing, this was followed by a gap higher on the roll into October. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 21,571 would support a bull argument, below this level the technical will re-enter bearish territory.
- Technical outlook: Downside moves considered countertrend
- The upside move to new highs following the roll into October is supported by the RSI moving above 70. The renewed buyside pressure has resulted in a bullish Elliott wave extension, implying downside moves should be considered as countertrend, providing throwbacks hold above the USD 21,571 support. We note that the current wave is more than 161.8% than that of the previous wave, supporting our analysis that we are looking at a bullish wave extension.



Panamax Q4 26

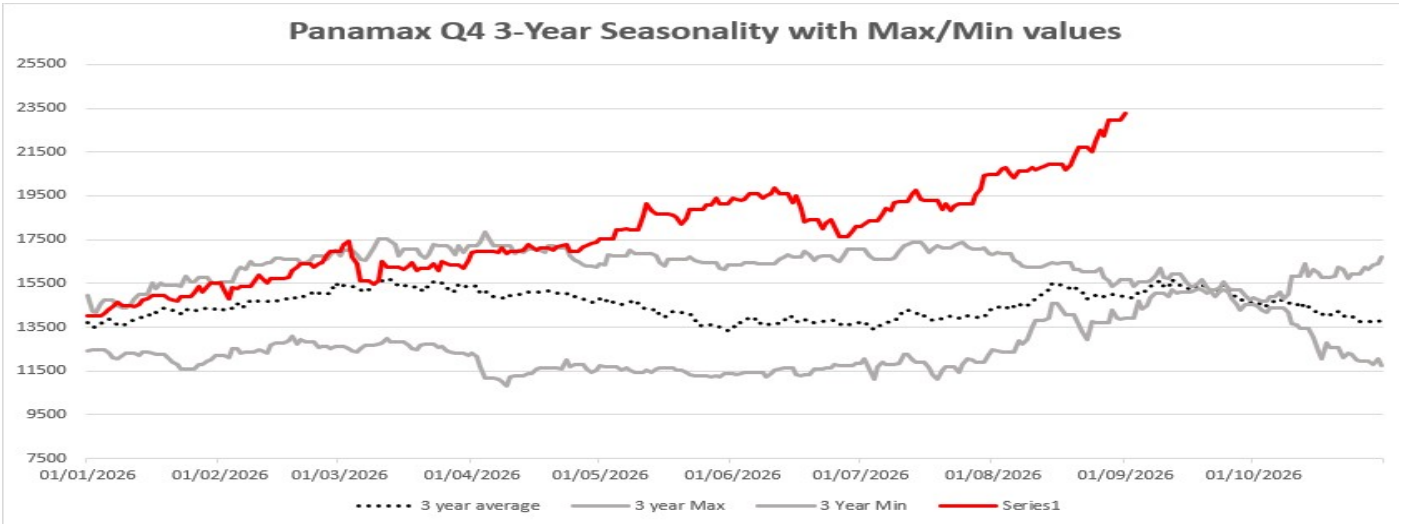


Support		Resistance		Current Price	Bull	Bear
S1	22,463	R1	24,210	23,600	RSI above 50	Stochastic overbought
S2	21,636	R2	24,795			
S3	20,625	R3	25,412			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (81)
- Stochastic is overbought
- Technical outlook previously: Supported
- We noted last week that the upside move above the high of the rejection candle at USD 21,375 had resulted in renewed buying interest, warning that the market remained supported at that point, suggesting downside moves had the potential to be countertrend in the near-term. There was a very minor divergence in play that needed to be monitored; however, it is fails, it would further support a buyers argument.
- The futures traded at new highs resulting in the minor divergence failing. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 21,636 will support a bull argument, below this level the technical would have a neutral bias.
- Technical outlook: Downside moves considered as countertrend.
- The upside move to a new high has resulted in a lower timeframe bullish Elliott wave extension, suggesting downside moves should be considered as countertrend, making USD 21,636 the key near-term support to follow. Throwbacks that breach the USD 21,636 level would suggest that price is entering a higher timeframe corrective phase. A close below the low of the last dominant bull candle at USD 22,800 would indicate sell side pressure is increasing, warning price is entering a corrective phase.



Panamax Cal 27

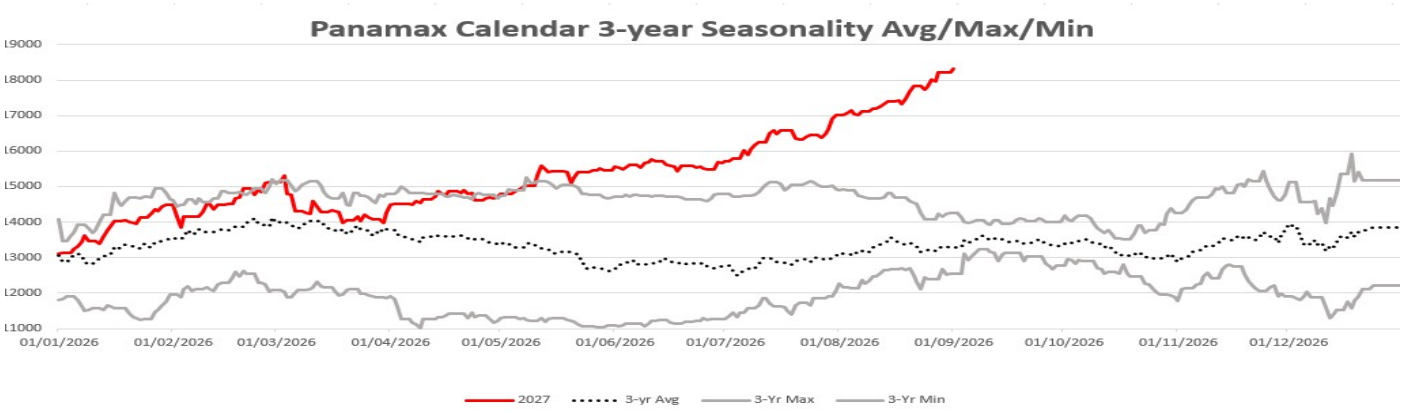


Support		Resistance		Current Price	Bull	Bear
S1	17,894	R1	18,699	18,525	RSI above 50	Stochastic overbought
S2	17,436	R2	19,133			
S3	16,875	R3	19,617			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (80)
- Stochastic is overbought
- Technical outlook previously: Supported
- We noted last week that although the initial divergence had failed, we were still divergent having traded at new highs. We highlighted that RSI pullbacks were holding above 60 and consistently breaching 70, signaling a trending environment. We maintain our view that downside moves should be considered as countertrend at that point.
- The futures have continued to trade higher, we remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 17,436 will support a bull argument, below this level the technical will have a neutral bias
- Technical outlook: Downside moves considered as countertrend.
- The upside move to new highs has resulted in the divergence failing, meaning we have positive velocity and positive acceleration (bullish momentum confirmation). With price failing to produce a significant intraday pullback since last week, our Elliott wave analysis continues to suggest that downside moves should be considered as countertrend, providing throwbacks hold above the USD 17,436 level.



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