FIS Panamax Intraday Morning Technical

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

Panamax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	21,675	R1	22,441	22,175	Stochastic oversold	RSI below 50
S2	21,179	R2	22,553			
S3	20,473	R3	23,506			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot USD 22,441
- Technical outlook previously: RSI rejection
- Technically we still remain supported last week, as price was above the 21-period EMA and the 55-period EMA's with the RSI still above 50. However, the RSI rejection warned of momentum was showing signs of weakness, this needed to be monitored closely. If we closed and held below the 55-period EMA at USD 22,802 it would leave the USD 22,389 support vulnerable. We identify USD 22,389 as a key near-term level, if broken, it would negate the breach in the USD 23,506 resistance, implying sell side pressure was increasing. The upside RSI rejection was a sign of momentum weakness, suggesting market buyers should act with caution, unless we reclaimed the USD 23,506 resistance and the RSI 60 level.
- The futures have sold below the USD 22,802 support, bringing the USD 23,506 resistance back into play. Price is below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 22,441 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 23,506 will leave support levels vulnerable, above this level would suggest that buyside pressure is on the increase.
- Technical outlook: Potential complex corrective phase
- The move below USD 22,802 does warn that sell side pressure could be increasing, as does the RSI rejection below the 60 level, suggesting support levels are becoming vulnerable. Downside moves below USD 21,675 would signal a complex correction (marked W, X, with Y being the potential new low) is in play. If this is the case, then Fibonacci projection levels suggest we could trade as low as USD 19,575. Market sellers should act with caution if the RSI holds the 40 level, supported by a close and hold above the trend resistance line at USD 22,533, as it would signal buyside support is entering the market.

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