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	22,258	R1	23,146	22,400	Stochastic oversold	RSI below 50
S2	21,675	R2	23,775			
S3	21,179	R3	24,447			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is above the daily pivot USD 22,258
- Technical outlook previously: neutral
- As highlighted previously, the upside rejection warned that we could be looking at a complex corrective phase, warning that the USD 21,675 support could be tested. Lower timeframe Elliott wave analysis was showing a 5-wave pattern lower, while price was above the trend resistance line at USD 22,045, the RSI was holding the 40 level; this suggested caution was warranted on lower moves. However, the RSI remains below its moving average. If we move higher but reject the USD 23,146 resistance, then the USD 21,675 fractal low would still be considered as vulnerable. The conflicting technical meant that we lacked clarity on near-term directional bias at that point, meaning we were taking a neutral view.
- The futures have traded up to but remain below the 55-period EMA at USD 22,640. We are between 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 below USD 22,258 with the RSI at or below 42.5 would mean price and momentum are aligned to the sell-side. Upside moves that fail at or below USD 23,146 would leave support levels vulnerable, above this level the USD 23,775 fractal high would become vulnerable.
- Technical outlook: Neutral
- The futures are seeing evidence of support, as price and momentum are aligned to the buyside, while the RSI holding above 40, we also have the lower timeframe 5-wave pattern lower. However, this is countered by the upside rejection that warns that we could still be looking at a complex corrective phase, suggesting there is still room for a bearish Elliott wave extension at this point. There is evidence of support in the market , if we close above the high of the last dominant bear candle at USD 22,750 it would warn that buyside pressure is starting to increase. At this point, the move higher is not yet convincing, intraday candle have been small and lacking energy, implying further upside is needed to convince that the move higher is bullish.

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