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	21,179	R1	22,158	21,650	Stochastic oversold	RSI below 50
S2	20,473	R2	22,469			
S3	19,575	R3	23,056			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (36)
- Stochastic is oversold
- Price is above the daily pivot USD 22,158
- Technical outlook previously: neutral
- The futures were seeing evidence of support yesterday, as price and momentum were aligned to the buyside, while the RSI was holding above 40, we also had the lower timeframe 5-wave pattern lower. However, this was countered by the upside rejection that warned that we could still be looking at a complex corrective phase, suggesting there is still room for a bearish Elliott wave extension at that point. There was 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 was starting to increase. Yesterday the move higher was not yet convincing, intraday candle had been small and lacking energy, implying further upside was needed to convince that the move higher was bullish.
- The futures failed to close above the USD 22,750 level with price producing a bearish rejection candle on the daily timeframe, resulting in a move to new lows this morning, confirming it was a complex corrective phase. We are below the 8-21 period EMA's supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 22,158 with the RSI at or above 45 would mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 23,056 would leave support levels vulnerable, above this level the USD 23,775 fractal high would become vulnerable.
- Technical outlook: Sell side pressure in creasing
- The daily rejection candle has resulted in the USD 21,675 fractal low being broken, the RSI is now below the 40 level, suggesting buyside pressure is increasing. Fibonacci projection levels suggest that we could trade as low as USD 21,179 in the near-term; however, if we close and hold below the 200-period MA at USD 21,186, then there is a chance that the USD 20,473 and USD 19,575 support levels could be tested. Market sellers should act with caution if we trade above the USD 22,675 fractal high, as it would suggest that buyside pressure is on the increase.

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