FIS Panamax Intraday Morning Technical

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Panamax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	21,179	R1	21,683	21,250	Stochastic oversold	RSI below 50
S2	20,473	R2	22,184			
S3	19,575	R3	22,675			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (31)
- Stochastic is oversold
- Price is above the daily pivot USD 21,683
- Technical outlook previously: Sell side pressure in creasing
- The daily rejection candle had resulted in the USD 21,675 fractal low being broken, the RSI had moved below the 40 level, suggesting sell side pressure was increasing. Fibonacci projection levels suggested that we could trade as low as USD 21,179 in the near-term; however, if we closed and hold below the 200-period MA at USD 21,186, then there was a chance that the USD 20,473 and USD 19,575 support levels could be tested. Market sellers should act with caution if we tradeed above the USD 22,675 fractal high, as it would suggest that buyside pressure was on the increase.
- The increase in sell side pressure means that price is now testing the USD 21,179 Fibonacci support. We are below all key moving averages 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 21,683 with the RSI at or above 42.5 would mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 22,899 would leave support levels vulnerable, above this level the USD 23,775 fractal high would become vulnerable.
- Technical outlook: Inflection point.
- The futures are now trading on the Fibonacci projection level at USD 21,179 and the intraday 200-period SMA at USD 21,219, meaning we are at an inflection point. A close and hold below the 200-period SMA would signal that the technical has the potential to deteriorate further, at this point the USD 20,473 and 19,575 support levels become vulnerable. Conversely, if we hold the average, and the RSI reclaims 50, it would suggest that there is underlying support in the market. Caution is warranted on upside moves above the USD 22,675 fractal resistance, as it would indicate that buyside pressure is increasing.

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