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	21,402	R1	21,925	21,425		RSI below 50
S2	21,179	R2	22,325			
S3	20,473	R3	22,675			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (38)
- Stochastic is above 50
- Price is below the daily pivot USD 21,925
- Technical outlook previously: Neutral
- We noted on Friday that the failure to trade above the USD 22,675 resistance had resulted in price selling lower. The RSI was testing the trend resistance line that it broke on the 06/10, while it remained above 40 at that point. Key near-term support would be at the 200-period MA at USD 21,369, throwbacks that held above the average with the RSI holding above 40, would imply that there was an underlying support in the market. Conversely, caution was warranted on a close and hold below the average with the RSI below 40, as it would leave the USD 21,150 fractal support vulnerable. The futures were reverting back to the longer-term average, meaning we were approaching an inflection point. With price failing to confirm that buyside pressure was increasing, the technical was showing signs of weakness, indicating support is becoming vulnerable; however, selling into the intraday 200-period MA had its risks, meaning we were currently neutral.
- The futures have continued to sell lower. We are 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 221,925with the RSI at or above 48.5 would mean price and momentum are aligned to the buyside. 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 trading on the 200-period MA at USD 21,402, meaning we are at an inflection point. A close and hold below the average with the RSI below 40 would suggest that the USD 21,150 fractal support could be tested and broken. Conversely, failure to close below the average with the RSI holding 40 would warrant caution on lower moves, as it would imply underlying support in the market. The RSI is currently below its trend support while below 40, meaning we are seeing signs of momentum weakness. Price is the lead indicator, and now needs to hold the average to avoid selling at new lows.

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