



Panamax Intraday Morning Technical

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Panamax April 24 Intraday Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,575		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (56)
- Stochastic is below 50
- Price is above the pivot level USD 15,516
- The downside pullback in the futures yesterday held the 55-period EMA and the 38.2% Fibonacci retracement; However, we breached the USD 14,800 fractal support, meaning the intraday technical is bearish based on price. The roll into April today (rolling 2nd month) has resulted in the futures moving above the 8-21 period EMA's, the RSI is above 50 with price and momentum conflicting, as the RSI is below its MA.
- A close on the 4-hour candle above USD 15,516 with the RSI at or above 58.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Upside moves that fail at or below USD 15,763 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the gap higher created by the roll means we have an island reversal pattern (three river morning star in Japanese candlesticks). This pattern is signalling that there is support in the market at this point (remembering the gap higher is a function of the roll and not bullish price action perse) but has to be treated carefully due to the roll. The recent pullback from the USD 16,350 high was on the back of a negative divergence with the RSI, whilst the MA on the RSI continues to move lower, both signalling momentum weakness. If we do trade above USD 15,763 then the probability of the futures trading to a new low will start to decrease, whilst above USD 16,350 the futures will create a third negative divergence with the RSI, warning we could see another momentum slowdown. Due to the potential divergence at higher levels, we are cautious on upside moves at this point, as support levels could be vulnerable based on momentum. If a corrective move lower holds at or above USD 13,545 it will warn that there is potential a larger bullish Elliott wave cycle in play (I.E a 5th wave extension).

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