



Panamax Intraday Morning Technical

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Panamax March 24 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,150	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Price is below the daily pivot USD 15,525
- Technically bullish yesterday, the upside move on the open was struggling to hold due to the negative divergence in play, meaning in theory, support levels are vulnerable at this point. However, the Capesize and the Supramax were not in divergence, warning that the Panamax divergence could fail. The issue we had was the the carry over the index, which was close to USD 4k, suggesting the futures were a little overextended. Market buyers need to see positive index numbers soon for the divergence to fail, otherwise the USD 14,558 – USD 13,655 Fibonacci support zone could come under pressure. Having traded to a high of USD 15,800 on the open, the futures consolidated for the remainder of the session before selling lower on the open today. We are now trading between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,525 with the RSI at or above 63.5 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 13,655 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures have opened below the daily pivot level with the RSI still in divergence, resulting in a small move lower on the open. The MA on the RSI is flat, implying upside momentum is slowing, making USD 13,655 the key support to follow. Downside moves below this level will mean that the probability of the futures trading to a new high will start to decrease. As noted yesterday, we are a little cautious at this point due to the carry in the futures. However, the index did turn yesterday to produce a small higher, whilst the Capes and Panamax RSIs have made new highs, meaning the Panamax technical is a little out of sync with the other two. Momentum looks like it could be transitioning to the sell side, meaning support levels could be vulnerable; however, we have a note of caution on downside moves due to the RSI situation as it suggests that the Elliott wave cycle is out of line with the rest of the freight complex.

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