



Panamax Intraday Morning Technical

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Panamax May 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	15,400	R1	15,650		RSI below 50	
S2	14,875	R2				16,291
S3	14,775	R3				17,071

Synopsis - Intraday

Source Bloomberg

- Price is below the 8–21 period EMA's
- RSI is below 50 (43)
- Stochastic is below 50
- Price is above the daily pivot USD 16,133
- Technically bearish yesterday, we had seen a small upside rejection candle on the open, warning of sell side resistance at higher levels. If we traded above and closed above the high of the rejection candle (USD 16,550) it would mean the futures were above the 200-and-55-period EMA's, warning buyside pressure was increasing. The rejection candle and the subsequent small move lower warned that support levels remained vulnerable. We noted that if the current 4-hour candle closed below the base of the rejection candle (USD 16,025) it would weaken the technical further. However, as highlighted on yesterday afternoons technical report, downside moves would be into a higher timeframe support zone, which sellers needed to be aware of. The futures did close below the USD 16,025 level resulting in price trading lower. We are above 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 16,133 with the RSI at or above 49 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 18,670 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 13,695 will warn that there is potentially a larger, bullish Elliott wave cycle in play.
- Technically bearish, the futures are moving lower on the back of the rejection candle, warning that support levels are vulnerable. However, the daily support zone highlighted previously, starts at USD 15,400, which would suggest market sellers do need to have a note of caution. In theory, the USD 14,875 fractal low is starting to look vulnerable, but as noted last night, buying into a rejection candle, or selling into a support zone is considered as higher risk. For this reason, although we think we should move lower in the near-term, we have a more neutral bias.

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