

Panamax July 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	10250	R1	10,425	10,300	RSI above 50	Stochastic overbought
S2	10,045	R2	10,776			
S3	9,796	R3	11,012			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot USD 10,250
- Technically bearish with a neutral bias yesterday, the probability of the futures trading to a new low had started to decrease. The MA on the RSI implied momentum was supported, whilst the daily close above the trend resistance, warned that the USD 10,425 resistance could be tested and broken. With the probability of the futures trading to a new low decreasing, alongside the momentum support, we remained cautious on moves lower at that point.
- The futures continue to find bid support but remain below the USD 10,425 fractal high. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 10,250 with the RSI at or below 53 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 9,393 will support a near-term bull argument; if broken, the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the MA on the RSI implies that momentum is supported. Lower timeframe Elliott wave analysis is suggesting that downside moves should be considered as countertrend, making USD 9,393 the key support to follow. A move above USD 10,425 is still need to take the technical into bullish territory and confirm that the higher timeframe wave cycle has officially failed. As noted previously, we maintain a note of caution that downside move will struggle to hold; however, we would like to see the futures move and hold above the USD 10,425 fractal high, as USD 10,400 is the heaviest traded area in the last six months (based on price, not volume), meaning we are at a resistance area.