

Panamax July 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	9,941	R1	10,266	9,950	Stochastic oversold	RSI below 50
S2	9,908	R2	10,365			
S3	9,802	R3	10,435			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- Price is above the daily pivot USD 9,941
- Technically bullish with a neutral bias yesterday, the probability of the futures trading to a new high had started to decrease, the MA on the RSI also warned that we had momentum weakness. Countering this, on the close report previously, we stated that the trend support line (USD 9,864) was probably more important than the USD 9,908 Fibonacci support. The futures were above trend support at that point; however, for upside continuation, we would need to see price above the USD 10,444 resistance. The technical condition had weakened, a strong bearish daily candle had put price below both the intraday and daily 200-period MA's (USD 10,677—USD 10,405), warning market sellers are defending the longer-term averages, suggesting upside moves could struggle to hold. Whilst below the USD 10,444 level, we are cautious on moves higher.
- The futures are finding light bid support off the trend line (USD 9,802). We are above the 8-21 period EMA's with the RSI near-neutral at 49, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 9,941 with the RSI at or above 59 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 10,435 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bull territory.
- Technically bullish with a neutral bias, the MA on the RSI implies momentum is weak. A close below trend support (USD 9,802) will warn that the USD 9,475 fractal support could be tested and broken. As noted yesterday, for upside continuation, the futures will need to trade above the USD 10,435 resistance; if we do, the technical will be back in bullish territory.