

Panamax Aug 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	15,450	R1	15,625	15,200	RSI above 50	Stochastic overbought
S2	13,840	R2	16,589			
S3	13,325	R3	17,185			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the daily pivot USD 15,450
- Unchanged on the technical yesterday, we remained bullish with downside moves considered as countertrend, making USD 12,360 the key support to follow. Below this level the probability of the futures trading to a new high would start to decrease. As noted previously, a close below the low of the last dominant bull candle (USD 13,900) would imply sell side pressure was increasing, warning we could be entering a countertrend move lower.
- The futures continue to consolidate around their highs. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting, as the opening candle is yet to close below the daily pivot level.
- A close on the 4-hour candle above USD 15,450 with the RSI at or above 81.5 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned to the buyside. Downside moves that hold at or above USD 12,360 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish the futures remain supported but price and momentum is potentially becoming aligned to the sell side. However, Elliott wave analysis does suggest that downside moves should be considered as countertrend. At this point, it looks like we could potentially have three bullish Elliott wave cycles in play, warning there should in theory be further upside even after the pullback. The last dominant bull candle is unchanged, meaning we will need to see a close below USD 13,900 to signal sell side pressure is increasing. If we do trade below the low of USD 12,360 then the probability of the futures trading to a new high will start to decrease (note: this will be key support on the lowest timeframe cycle, suggesting the bull cycle will not be over, even if broken).