

Panamax Oct 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	15,058	R1	15,626	15,100	RSI above 50	Stochastic overbought
S2	14,135	R2	16,450			
S3	13,560	R3	16,935			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (52)
- Stochastic is overbought
- Price is above the daily pivot USD 15,058
- Technically bullish but in a corrective phase on Friday, the upside rejection previously warned that the Fibonacci support zone could come under pressure. We highlighted that USD 14,075 as two standard deviations below the linear regression line, which had the potential to act as a near term support. However, we noted that if this was a higher timeframe corrective pullback, we should in theory trade into the Fibonacci support zone. Higher timeframe Elliott wave analysis continued to suggest that downside moves should be considered as countertrend; as noted previously, we remained cautious on upside moves in the near-term, due to the deep pullback on the lower timeframe wave cycle, as it warned we could be in the higher timeframe correction.
- The futures traded to a high if USD 15,300 on the open (not USD 15,825, as illustrated on the chart), before easing a little. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,058 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 11,475 will support the longer-term bullish Elliott wave cycle, below this level the technical will have a neutral bias.
- Technically bullish, we remain in a corrective phase with the MA on the RSI implying we have light momentum support. Our Elliott wave analysis does suggest that downside moves should be considered as countertrend; however, as noted previously, if this is the higher timeframe correction, we should in theory test the Fibonacci support zone. A close below the low of the last dominant intraday bull candle (USD 14,650) will warn that support levels could come under pressure. Due to the divergences above USD 16,450, we remain cautious on upside moves in the near-term.