

## Panamax Oct 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	15,550	R1	15,916	15,700	RSI above 50	Stochastic overbought
S2	14,933	R2	16,205			
S3	13,560	R3	16,450			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is below the daily pivot USD 15,916
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported, whilst the move above the USD 15,609 resistance warned that the USD 16,450 fractal high could be tested and broken, suggesting that we are still in the lower timeframe bull cycle, despite the deep pullback. However, this does not change our near-term technical view, we continue to be cautious on upside breakouts, as price would be in divergence. Only if we see a lower timeframe Elliott wave extension would this view change. We noted that we should trade to a new high, but from a technical perspective, the futures were not considered a buy.
- Having traded to a high of USD 16,625 pf the open yesterday, the futures have seen a small pullback on the open this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside, as the previous candle close (yesterday) was above today's pivot point.
- A close on the 4-hour candle below USD 15,916 with the RSI at or below 54 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; as highlighted yesterday, the move above USD 15,609 implied buyside pressure was increasing, warning the USD 16,450 fractal high could be tested and broken. However, due to the divergences above USD 16,450, the futures were not considered a technical buy at those levels. The futures are at a bit of an inflection point, we have failed to hold above the linear regression line (USD 16,205) but remain above the USD 15,550 fractal breakout level. For upside continuation, we need to be above the USD 16,205 level; conversely, if we start to close below the USD 15,550 level, market bulls may need to be a little cautious. If we hold above the 15,550 level, then the USD 16,205—USD 16,450 resistance should be tested and broken.