

Panamax Oct 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	14,332	R1	14,675	14,425	Stochastic oversold	RSI below 50
S2	14,025	R2	15,350			
S3	13,917	R3	15,702			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (41)
- Stochastic is below 50
- Price is below the daily pivot USD 14,675
- The futures remained in bullish territory but in a corrective phase on Friday. The rejection of the USD 15,702 resistance warned that the USD 14,357—USD 13,917 support zone could come under pressure. As noted previously, USD 14,357 was two standard deviations below linear regression line, if tested it would warn that the price was starting to look overextended to the downside; however, if we breached the USD 13,917 support, then the probability of price trading to a new high within this phase of the cycle would start to decrease.
- The futures continue to sell lower with price now trading two standard deviations below the linear regression line (USD 14,332). We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 14,675 with the RSI at or above 49.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 13,917 will support a near-term bull argument, below this level the technical will have a neutral bias. However, key longer-term support on the higher timeframe Elliott wave cycle is at USD 11,475.
- Bullish but in a corrective phase, the futures are now approaching a key support area (USD 14,332—USD 13,917). As noted previously, with the futures trading two standard deviations below the linear regression line, we are starting to look overextended to the downside. However, if we breach the USD 13,917 support, then the probability of price trading to a new high within this phase of the cycle. Support is still vulnerable, but we are cautious around these levels whilst above USD 13,917.