

Panamax Nov 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	13,375	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (31)
- Stochastic is below 50
- Price is below the daily pivot USD 14,379
- Bullish but in a corrective phase yesterday, the futures were 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 were 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 would start to decrease. Support was still vulnerable, but we were cautious around these levels whilst above USD 13,917.
- The futures sold to a low of USD 14,150 yesterday; however, price has gapped lower on the roll into Nov this morning. 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 14,379 with the RSI at or above 47 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 15,171 will leave the futures vulnerable to further tests to the downside, above 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.
- The move lower on the roll means the intraday technical is bearish based on price; however, the longer-term Elliott wave cycle remains bullish above USD 11,475 and neutral below. The MA on the RSI implies that we have light momentum weakness, whilst the RSI is making new lows alongside price, suggesting intraday upside moves will struggle to hold, making USD 15,171 the key support to follow. The RSI at 31 is testing a long-term support, meaning momentum is warning that we are starting to look over extended to the downside in the near-term, suggesting caution on corrective moves lower in the very near-term.