FIS

Panamax Intraday Morning Technical

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Panamax Nov 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	14,741	R1	15,003	14,900	RSI above 50	
S2	14,054	R2	15,496			
S3	13,663	R3	16,200			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the daily pivot USD 14,741
- Technically bullish yesterday, the futures had entered a corrective phase on the news late in from China on Monday. A bullish gap up had been followed by a bearish gap down, meaning we had an island reversal pattern in play, warning the USD 14,054 support could come under pressure. If broken, the probability of the futures trading to a new high would start to decrease, leaving the USD 13,000 fractal low vulnerable. The upside rejection after such a strong move higher highlighted the importance of the USD 14,054 level, if broken, it will bring into question the validity of the longer-term Elliott wave cycle, warning we could be looking at cycle failure (truncation). Conversely, if support held, resistance remained vulnerable.
- The futures held the 55-period EMA support yesterday (USD 14,407) resulting in price seeing light bid support. We are above all key moving averages with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 14,741 with the RSI at or above 59 will mean price and momentum are aligned to the buy side. Likewise, a close below this level will mean it is aligned to the sell side. Downside moves that hold at or above USD 14,045 will support a bull argument, below this level the technical will have a neutral bias. Key longer-term support on the higher timeframe Elliott wave cycle remains at USD 11,475.
- Technically bullish but in a corrective phase. Upside moves that fail at or below USD 15,496 will warn that support levels could come under pressure, above this level the USD 16,450 fractal high will become vulnerable. Whilst above the USD 14,054 support, resistance levels remain vulnerable; however, the technical is conflicting, as the bearish island reversal pattern suggests caution on upside moves. Key near-term support is at USD 14,054, if broken, then the probability of the futures trading to a new high will start to decrease. The technical is conflicting, meaning it has more of a neutral bias, if we close above the high of the last dominant bear candle (USD 15,125) it will warn that the USD 15,496 resistance could come under pressure.