Panamax Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Panamax Nov 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	14,054	R1	14,700	14,475	Stochastic oversold	RSI below 50
S2	13,663	R2	15,496			
S3	13,000	R3	16,200			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- Price is below the daily pivot USD 14,700
- Technically bullish on Friday, the MA on the RSI implies that momentum was weak. The upside move had rejected our key resistance at USD 15,496, meaning support levels were starting to look vulnerable, whilst the inside break to the downside meant that the 55-period EMA (USD 14,493) could be tested and broken. A close that held below the EMA support would bring into focus the USD 14,054 level; if broken, then the probability of the futures trading to a new high would start to decrease. The upside rejection from key resistance, alongside momentum weakness and the inside day breaking to the downside, warned that support levels were becoming vulnerable. We noted that market buyer's would want to keep price above the USD 14,054 level, if they did, then the technical will remain bullish.
- The futures have seen a small move lower with price just below the 55-period EMA (USD 14,496), Price is 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 14,700 with the RSI at or above 55.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 14,054 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.
- The futures remain bullish but in a corrective phase with the MA on the RSI implying we have light momentum weakness. Price is now on the 55-period EMA, meaning we are at an inflection point; we have closed below the average, if we hold below it then the USD 14,054 support could be tested and broken. If it is, then the probability of the futures trading to a new high will start to decrease. Conversely, a close that holds back above the average will warn that is an underlying support in the market. We continue to be cautious of upside moves due the rejection, alongside the inside day candle pattern breaking to the downside; however, near-term price action is currently neutral as it is at an inflection point.