

Panamax Nov 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,500	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (58)
- Stochastic is below 50
- Price is above the daily pivot USD 14,816
- Technically bullish last week, the MA on the RSI implied that momentum remained supported at that point. We noted that we looked to be in the process of rejecting the USD 15,496 resistance, if we did, then the USD 14,054 support would become vulnerable. USD 14,054 was a key level on the technical, if broken, then the probability of price trading to a new high would start to decrease; whilst above this level, resistance remained vulnerable. Although the futures had closed the bearish window created by the island reversal pattern, the rejection candle (daily chart 13/10) had the potential to act as a resistance zone (USD 15,300—USD 16,100), meaning we continued to have a note of caution on upside moves at that point. The caveat was that above USD 15,496 would warn that buy-side pressure was increasing. Price action had weakened, but we noted that it was going to take more than one candle to confirm the USD 15,496 resistance had been rejected.
- The futures sold to a low of USD 14,550, meaning key support held, an upside move this morning has breached the USD 15,496 resistance, implying buy-side pressure is increasing. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 14,816 with the RSI at or below 51.5 will mean price and momentum are aligned to the sell side. 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.
- Technically bullish, the upside move above USD 15,496 on the open is a warning that buy-side pressure is increasing, meaning we are potentially in a higher timeframe bullish Elliott wave 5. This suggests caution on downside moves whilst above the USD 14,054 support. Price is trading within the resistance candle from the 14/10, if we trade above the USD 16,100 level (the high from the 14/10), it will warn that the USD 16,450 fractal high could be tested and broken.