

Panamax Dec 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	15,850	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is below the daily pivot USD 15,991
- Unchanged on the technical yesterday, price was back above the trend resistance line (USD 15,658); we noted that a close that held above it would imply that buy-side pressure was increasing, whilst a close above the USD 16,100 would signal upside continuation, warning the USD 16,450 and USD 16,930 resistance levels could come under pressure. Conversely, failure to hold above the trend support line would keep near-term price action in neutral territory. We are probing the upside, but needed to see the close above USD 16,100.
- The futures closed above the USD 16,100 levels resulting in price trading to a high of USD 16,350 before seeing bids fade a little. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy-side, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle below USD 15,991 with the RSI at or below 53 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 15,013 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 MA on the RSI implies that momentum is supported at this point. The upside move above USD 16,225 has resulted in a negative divergence with the RSI; however, we can see on the chart that the RSI has broken near-term resistance (black line). This is a warning that intraday downside moves have the potential to be countertrend in the near-term, making USD 15,013 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. We have the trend support line at USD 15,667, this will be a test for the technical, if momentum is supported, one would expect to see buying support around this area.