Panamax Intraday Morning Technical

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Panamax Dec 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	16,325	R1	16,930	16,450	RSI above 50	Stochastic overbought
S2	15,825	R2	18,137			
S3	15,206	R3	19,344			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot USD 16,325
- Technically bullish yesterday, the MA on the RSI was flat, implying momentum was neutral, we noted that there is no longer a clear flag or pennant pattern in play. The moving averages suggest that we had light momentum support; however, above USD 16,450, price would be in divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown, which needed to be monitored. Technically, the USD 16,450 resistance remained vulnerable, however, from a technical perspective, the futures were not considered a buy at those levels at that point, as the neutral RSI warned that upside moves could struggle to hold.
- The futures have now traded above the USD 16,540 fractal resistance, supported by the MA on the RSI moving higher. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 16,325 with the RSI at or below 54.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 15,206 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the upside move to a new high means that the futures have confirmed the higher timeframe bullish impulse Elliott wave 5; however, this also means that price is in divergence with the RSI, warning we could see a momentum slowdown. Countering this, the MA on the RSI has moved from neutral, to momentum is supported, whist the RSI has broken near-term resistance. Near-term momentum is now warning that intraday downside moves should in theory still be countertrend, making USD 15,206 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease.