Panamax Intraday Morning Technical

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Panamax Dec 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	16,412	R1	18,137	16,850	RSI above 50	Stochastic overbought
S2	15,912	R2	19,344			
S3	15,300	R3	21,061			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8—21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Price is on the daily pivot USD 16,866
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported at that point. Lower timeframe Elliott wave analysis did suggest that intraday downside moves should be considered as countertrend, making USD 15,912 the key support to follow. If broken then the probability of the futures trading to a new high would start to decrease. Although bullish, we noted that the RSI was at resistance, with three negative divergence is play, suggesting that heavy market longs should act with caution.
- The futures had a small pullback to USD 16,650 yesterday, but price remains supported. We are above all key moving averages with the RSI above 50, intraday price and momentum are conflicting, as the previous candle closed below the daily pivot level.
- A close on the 4-hour candle below USD 16,866 with the RSI at or below 60 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. Downside moves that hold at or above USD 15,912 will support a bull argument, below this level the technical will have a neutral bias.
- Unchanged on the technical this morning, the MA on the RSI continues to suggest that momentum is supported, whilst lower timeframe Elliott wave analysis is warning that intraday downside moves still look like they could be countertrend. Near-term price action is supported; however, we are a cautious bull due to the three divergence in play that we highlighted yesterday.