



Panamax Intraday Morning Technical

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Panamax May 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	18,619	R1	19,400	RSI above 50	
S2	18,162	R2	19,556		
S3	17,542	R3	20,100		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (52)
- Stochastic is above 50
- Price is below the daily pivot USD 19,175
- Technical outlook previously: Buyside pressure increasing
- The futures remained below the USD 19,400 level, meaning the bearish H&S pattern remained in play. However, we highlighted that the trend resistance break on the RSI indicated that momentum was signaling that we were seeing an increase in buyside pressure. Although not prerequisite, we noted that the bullish momentum break was often a signal that the futures could be about to move higher, suggesting the USD 19,400—USD 19,556 resistance zone could be about to be tested.
- The futures traded to a high of USD 19,375 before seeing a light pullback on the open. We remain above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 19,175 with the RSI at or below 48.5 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. Upside moves that fail at or below USD 20,275 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Failed follow through—neutral
- The RSI is holding above the trend support line, in theory the USD 19,400 high remains vulnerable. However, we have not seen the bullish follow through that we were expecting from the momentum break. The failure to trade above USD 19,400 means that the bearish head and shoulders pattern remains in play; however, structurally due to yesterday's upside move, it is starting to look less and less like an H&S pattern. The failed upside move yesterday means we have a neutral bias today. If the RSI starts to close and hold below the trend line, then the upside momentum fake-out will warn that support is vulnerable.

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