



Panamax Intraday Morning Technical

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Panamax June 26 Morning Technical Comment – 240 Min



| | Support | Resistance | Current Price | Bull | Bear |
|----|---------|------------|---------------|--------|---------------------------------------|
| S1 | 19,083 | R1 | 20,100 | 19,650 | RSI above 50 Stochastic overbought |
| S2 | 18,619 | R2 | 20,275 | | |
| S3 | 18,162 | R3 | 21,053 | | |

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (64)
- Stochastic is above 50
- Price is below the daily pivot USD 19,083
- Technical outlook previously: Failed follow through—neutral
- We noted yesterday that the RSI was holding above the trend support line, in theory the USD 19,400 high remains vulnerable. However, we had not seen the bullish follow through that we were expecting from the momentum break. The failure to trade above USD 19,400 meant that the bearish head and shoulders pattern remained in play; however, structurally due to yesterday's upside move, it was starting to look less and less like an H&S pattern. The failed upside move previously meant we had a neutral bias yesterday. If the RSI started to close and hold below the trend line, then the upside momentum fake-out would warn that support is vulnerable.
- The RSI held above trend support yesterday resulting in price closing at USD 19,175; however, price has gapped higher this morning on the roll into the June contract. 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 19,083 with the RSI at or below 50 will mean price and momentum are aligned to the sell side. 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: H&S pattern has failed
- The roll into June means the futures are above the right shoulder of the head and shoulders pattern at USD 19,400, meaning it has failed. The RSI breaking trend resistance previously warned of increasing momentum support, while the move above USD 19,400 means the USD 20,275 Fibonacci resistance is becoming vulnerable. We identify USD 20,275 as the key level on the technical; if broken, then the probability of the futures trading to a new low will begin to decrease. Conversely, if rejected, it will suggest that the corrective phase is becoming more complex.

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