

Panamax Sep 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	21,050	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 (54)
- Stochastic is overbought
- Price is on the daily pivot USD 21,050
- Technical outlook previously: buyside pressure increasing.
- We noted yesterday that the upside move above USD 21,205 and the USD 21,250 fractal resistance meant that the probability of the futures trading to a new low has started to decrease, while price was back in bullish territory. This indicated that buyside pressure continued to increase, suggesting that downside moves should be considered as countertrend. Throwbacks below the USD 20,050 level would signal that corrective phase was becoming more complex. Although we had entered bull territory, we needed to see the RSI reclaim the 60 level to avoid an intraday correction.
- The futures have seen a small move lower, we remain above all key moving averages with the RSI above 50, intraday price and momentum are conflicting as the futures closed below the daily pivot point yesterday and are yet to close back above the USD 21,050 level.
- A close on the 4-hour candle below USD 21,050 with the RSI at or below 50 would mean price and momentum are aligned to the sell side; likewise, a close above it would mean it is aligned to the buyside. Downside moves that hold at or above USD 19,399 would support a bull argument, below this level the technical will re-enter bearish territory.
- Technical outlook: Buyside pressure increasing
- As highlighted yesterday, the move above the USD 21,250 resistance means price has re-entered bullish territory, having previously seen a corrective 3-wave move lower, implying downside moves should in theory be countertrend. The RSI has failed to reclaim the 60 level at this point, leaving price vulnerable to an intraday pullback; however, if we do see a close and hold above the 60 level, it will signal resumed momentum strength, warning resistance levels could come under pressure.