

Panamax Nov 26 Morning Technical Comment – 240 min



Support	Resistance	Current price	Bull	Bear
S1	R1	19,500	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis- Intraday

- Price is below the 8-21 period EMA's
- RSI below 50 (35)
- Stochastic is oversold
- Price is below the daily pivot level (USD 19,650)
- Intraday Technical Outlook Previously: Upside moves considered as countertrend
- Unchanged on the technical yesterday. The RSI breach below the 30 level previously, indicated momentum weakness, while price and the RSI were both making lower lows. The bearish momentum confirmation, alongside the RSI move below 30 was supported by the ADX at 44, which indicated we remain in a strong bearish trending environment. This suggested that upside moves should be considered as countertrend, providing the USD 21,109 resistance was not breached; if it was, then the probability of price trading at a new low would start to decrease.
- Limited price action yesterday has been followed by a small move lower today. Price is below the 8-21 period EMA's supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 19,650 with the RSI at or below USD 27 would mean price and momentum are aligned to the sell side; likewise, a close above this level would mean it is aligned to the buy side. Upside moves that fail at or below USD 21,109 would leave the futures vulnerable to further tests to the downside, above the level the technical would have a neutral bias.
- Technical Outlook: Upside moves considered as countertrend
- The futures look to be in the process of rejecting the 8-period EMA while the RSI has failed to reclaim the 40 level, warning the USD 18,750 fractal low is becoming vulnerable. As highlighted previously, our Elliott wave analysis continues to suggest that upside moves look like they should be considered as countertrend, providing the USD 21,109 resistance is not breached. However, for downside continuation, we will need to see that RSI close and hold below its moving average.