

Panamax Nov 26 Morning Technical Comment – 240 min



Support		Resistance		Current price	Bull	Bear
S1	18,625	R1	19,041	18,950	Stochastic oversold	RSI below 50
S2	18,414	R2	19,800			
S3	17,943	R3	20,599			

Synopsis- Intraday

- Price is below the 8-21 period EMA's
- RSI below 50 (37)
- Stochastic is oversold
- Price is above the daily pivot level (USD 18,991)
- Intraday Technical Outlook Previously: Positive divergence
- The move to a new low previously had resulted in a positive RSI divergence, a condition that warned that sell-side momentum could slow down, indicating that caution was warranted on lower moves. If the RSI closed and held above 40 it would imply momentum support, while, upside moves that trade above the USD 19,800 fractal resistance would signal an increase in buy-side pressure, warning the Fibonacci resistance zone could be tested. Upside moves that fail at or below USD 22,040 will leave price vulnerable to bearish Elliott wave extensions.
- Sideways action post index yesterday, the futures have seen a small move lower on the open this morning. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting, as the previous candle closed below the daily pivot support.
- A close on the 4-hour candle below USD 19,041 with the RSI at or below USD 32 would mean price and momentum are aligned to the sell side; likewise, a close above this level would mean price and momentum are aligned to the buy-side. Upside moves that fail at or below USD 22,040 would leave the futures vulnerable to further tests to the downside, above the level the technical would have a neutral bias.
- Technical Outlook: Positive divergence
- The futures have seen a small move lower this morning; however, the technical remains unchanged. Having previously seen bid support on the positive RSI divergence, we continue to have a cautious approach to lower moves, as it warns that sell side momentum could slow down. If the RSI closes and holds above the 40 level, then it would imply that momentum is becoming supported, while a move above the USD 19,800 level is needed to signal an increase in buy-side pressure.