



SMX Intraday Morning Technical

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Supramax August 23 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	9,200	Stochastic oversold	RSI below 50
8,812	9,458			
S2	R2			
8,337	9,759			
S3	R3			
7,520	10,150			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (42)
- Stochastic is oversold
- Price is below the daily pivot USD 9,458
- Technically bearish yesterday, below USD 9,150 the futures would be in divergence with the RSI, not a buy signal it would warn that we had the potential to see a momentum slowdown and needed to be monitored. However, using the William's method (based on our Elliott wave analysis) we now had a potential downside target at USD 7,520. The futures have traded to a new low, meaning price is now in divergence with the RSI. We remain below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 9,458 with the RSI at or above 45 will mean price and momentum are aligned to the sell side. upside moves that fail at or below USD 9,759 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, we have two timeframe Elliott wave cycles in play, meaning we now have a potential downside target between USD 8,496 and USD 7,520. However, we look to be on the 5th and final wave of this phase of the cycle with the futures in divergence with the RSI, not a buy signal, it is a warning that we have the potential to see a momentum slowdown and will need to be monitored. For this reason, we are now a cautious bear.

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