



SMX Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Supramax August 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	9,850	R1	10,200	RSI above 50	Stochastic overbought
S2	9,375	R2			
S3	9,000	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8–21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot USD 9,850
- Technically we remained bearish with a neutral bias yesterday. The MA on the RSI implied that momentum was supported, indicating the USD 10,150 fractal resistance was vulnerable, above this level the technical is bullish based on price, suggesting the wave cycle has potentially completed. However, we mark USD 10,848 as a key resistance going forward, upside moves that fail at or below this level would warn that the current wave 5 of the wave C has the potential to extend to the downside. Only above USD 11,800 will we have confirmation that the wave cycle has terminated, as this is the high of the current wave 5. We maintained our view at this point that the futures are not considered a technical sell. The futures moved higher with price moving above the USD 10,150 fractal resistance. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 9,850 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 10,848 will warn that we have the potential to see a wave extension to the downside.
- Technically we are now bullish based on price, with the minimum requirement for Elliott wave completion already achieved, the move above USD 10,150 is potentially an early warning of wave termination. This makes USD 10,848 a key level to follow, if we reject it, then we could see wave extension to the downside, if broken, the probability of the futures trading to a new low will have decreased. As noted yesterday, confirmation of cycle completion only really comes above the higher of the wave 5 at USD 11,800; however, the warning signs are there, meaning we maintain a view that the futures are not considered a technical sell at this point.

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