



SMX Intraday Morning Technical

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

Supramax Sep 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	10,216	R1	10,727	RSI above 50	Stochastic overbought
S2	9,924	R2	10,996		
S3	9,700	R3	11,338		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is above the daily pivot USD 10,216
- Technically bearish with a neutral bias yesterday. From a non-technical perspective, the futures were USD 2,500 above the index which was only USD 35 higher yesterday. So, unless we saw an index momentum push, we could see support levels come under pressure. If the futures did trade above 10,400 to enter bull territory, we had the potential to create a second negative divergence with the RSI. Not a sell signal, it would warn that we had the potential to see a momentum slowdown on a new high, suggesting caution on an upside breakout. We had little price movement for most of the session with price moving higher this morning. The futures are 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 10,216 with the RSI at or below 59.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 9,396 will support a bull argument, below this level the technical will have a neutral bias.
- The upside move above USD 10,400 this morning means that the futures have entered bull territory based on the futures making a new high. The negative divergence with the RSI is looking like it could possibly fail, if we do it will warn that could be further upside moves within this cycle. The carry with the Sep contract over the index is USD 3,000 (29%), which in theory suggests caution. However, If we look at the index/rolling front month ratio, the tail wags the dog. If we widen much further, we could be setting ourselves up for a bull run, rather than a paper sell off. Cautious as we could still diverge, the ratio is starting to suggest we could be setting up for a positive move.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com