



# SMX Intraday Morning Technical

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## Supramax Sep 23 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	10,650	R1	11,050	RSI above 50	Stochastic overbought	
S2	10,447	R2				11,338
S3	10,222	R3				11,770

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (71)
- Stochastic is overbought
- Price is above the daily pivot USD 10,650
- The upside move above USD 10,400 yesterday morning meant that the futures had entered bull territory based on the futures making a new high. The negative divergence with the RSI looked like it could possibly fail, if it did it would 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, when we looked at the index/rolling front month ratio, the tail wags the dog. If we widen much further, it suggested we could be setting ourselves up for a bull index run, rather than a paper sell off. Cautious as we could still diverge, the ratio was starting to suggest we could be setting up for a positive move. The futures continue to move higher with the divergence now failing, 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 10,650 with the RSI at or below 61.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,022 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the divergence failure would suggest that intraday downside moves should be considered as counter-trend in the near-term, making USD 10,222 the key support to follow.

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