



SMX Intraday Morning Technical

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Supramax May 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	15,041	R1	15,637	RSI above 50	
S2	14,918	R2	16,233		
S3	14,404	R3	16,702		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is above 50
- Price is below the daily pivot USD 15,041
- We remained technically bearish yesterday; however, as noted last week, if we moved down a timeframe, we already had a neutral bias. The RSI was below its MA, but the average was still implying that momentum was supported. The futures were now at an inflection point, as price was on the 55-period EMA (USD 15,021) and the weekly pivot level (USD 15,125). If we closed on the daily candle below the weekly pivot level (and the 55-period EMA) it would warn that support levels could come under pressure. Likewise, if we held the average and close back above the USD 15,125 level, we could still see an intraday move higher. The recent high on the RSI did suggest caution on moves lower as it warned that support levels could hold in the near-term. The futures moved lower and closed below the 55-period average and the weekly pivot level; however, as noted yesterday, we had a cautious view on downside moves due to the RSI high. The futures have opened back above the weekly pivot level and the 55-period average with price now moving higher. We 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 15,041 with the RSI at or below 52.5 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 16,233 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias. Likewise, downside moves that hold at or above USD 14,404 will support a near-term bull argument.
- Technically bearish, the futures are moving away from the 55-period EMA with the MA on the RSI implying that momentum remains supported. A close on the daily chart above USD 15,125 will indicate that buyside pressure is increasing. However, a move above USD 15,625 will mean that the futures are divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown which will need to be monitored. Downside moves that hold at or above USD 14,404 will warn that there could be a larger, bullish Elliott wave cycle in play. A cautious bull due to the potential divergence ahead.

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