

Supramax June 24 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	14,812	R1	15,166	Stochastic oversold	RSI below 50
S2	14,603	R2	15,205		
S3	14,304	R3	15,300		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (37)
- Stochastic is oversold
- Price is below the daily pivot USD 15,166
- Technically bearish yesterday, the MA on the RSI remained flat, implying momentum was neutral. The futures were starting to consolidate between a resistance zone (USD 15,525 – USD 15,625) and the USD 16,100 – USD 16,150 support area. We had opened with bid support; however, the current candle had opened near the low of the previous candle, warning support levels could come under pressure again. Below USD 16,100 we had the potential to trade as low as USD 14,603 within this phase of the cycle. However, this meant that the futures would then be in divergence with the RSI, warning we could see a momentum slowdown. Key support to follow was at USD 14,829, as this is the 66% retracement of the March – April high low; if it held, it would warn that there could be a larger, bullish Elliott wave cycle in play.
- The futures did break to the downside, with price breaching that longer-term bull support at USD 14,829. We are below all key moving averages with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,166 with the RSI at or above 45.5 will mean price and momentum are aligned to the buy side. Upside moves that fail at to below USD 15,428 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI remains flat with the RSI now testing support. If broken, then the divergence will have failed. Intraday Elliott wave analysis continues to suggest that we have the potential to trade as low as USD 14,603 within this phase of the cycle. Focus should be on the RSI support, if it fails, then the probability of the futures testing our downside target will increase.

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