

FIS SMX Intraday Morning Technical

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

Supramax March 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear	
S1	9,325	R1	9,600	RSI above 50	Stochastic overbought	
S2	8,521	R2				10,100
S3	8,150	R3				10,925

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (73)
- Stochastic is overbought
- Price is above the daily pivot USD 9,325
- Technically bullish yesterday, the futures were trading USD 3,831 above the index, creating a large disparity gap. We had seen a small rejection of the 200-period MA, a close above that held above the average would warn that resistance levels could come under pressure. However, the average was still in play alongside the disparity gap, meaning we had a note of caution on upside moves in the near-term. Based on the break to the upside on the back of the futures roll, intraday downside moves were considered as countertrend. If we did trade below USD 7,653, then the probability of the futures trading to a new high would start to decrease.
- The futures remained supported yesterday, before trading to a new high on the open. We are above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 9,325 with the RSI at or below 59.5 mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 7,646 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are trading USD 4,025 above the index, meaning the disparity gap has increased. The new high on the open means the futures are in 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. The futures remain below the 200-period MA (USD 9,639,) a close above the holds above the average will warn that resistance levels could come under pressure. However, the disparity and the divergence, alongside the long-term average still in play, it means we have a note of caution on moves higher at this point. As noted previously, based on the break to the upside on the back of the futures roll, intraday downside moves are considered as countertrend. If we do trade below USD 7,646, then the probability of the futures trading to a new high will start to decrease.

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