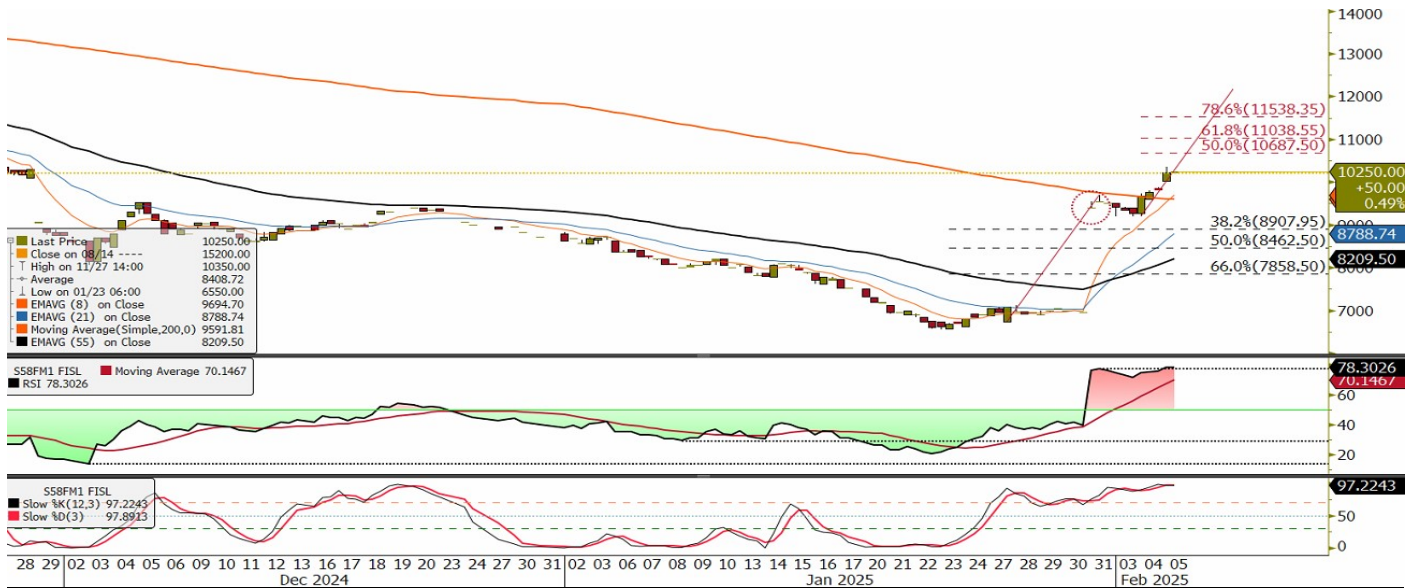




SMX Intraday Morning Technical

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Supramax March 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	9,633	R1	10,687	RSI above 50	Stochastic overbought
S2	8,907	R2	11,028		
S3	8,462	R3	11,538		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (78)
- Stochastic is overbought
- Price is above the daily pivot USD 9,633
- Technically bullish yesterday, the futures were trading USD 4,025 above the index, meaning the disparity gap had increased. The new high on the open meant that the futures were in divergence with the RSI; not a sell signal, it warned that we could see a momentum slowdown, which needed to be monitored. The futures remained below the 200-period MA (USD 9,639,) a close above the held above the average would warn that resistance levels could come under pressure. However, with the disparity and the divergence, alongside the long-term average still in play, it meant we have a note of caution on moves higher at that point. As noted previously, 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 7,646, then the probability of the futures trading to a new high would start to decrease.
- The futures have moved higher, closed above and held above the 200-period MA (USD 9,591). 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 9,633 with the RSI at or below 68 mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 7,858 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is implying that momentum is supported. The 4-hour divergence has failed; however, we remain in divergence on the 1-hour timeframe, warning we remain vulnerable to a momentum slowdown. If we close below and hold below the 200-period MA it will warn us that the Fibonacci support zone could come under pressure in the near-term. Lower timeframe Elliott wave analysis does suggest that downside moves should be considered as countertrend. The futures are proving more resilient than expected, but the divergence suggests caution on moves higher at this point; if we see a close on the 4-hour candle below USD 9,922 it will warn that buyside pressure is decreasing. Likewise, if price and momentum become aligned to the sell side, it will suggest that sell side pressure is increasing.

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