



SMX Intraday Morning Technical

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Supramax March 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	10,216	R1	10,687	RSI above 50	Stochastic overbought
S2	8,938	R2	11,038		
S3	7,875	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 10,216
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported. The 4-hour divergence had failed; however, we remained in divergence on the 1-hour timeframe, warning we remained vulnerable to a momentum slowdown. If we closed below and held below the 200-period MA, it would warn us that the Fibonacci support zone could come under pressure in the near-term. Lower timeframe Elliott wave analysis did suggest that downside moves should be considered as countertrend. The futures were proving more resilient than expected, but the divergence suggested caution on moves higher at that point; if we saw a close on the 4-hour candle below USD 9,922 it would warn that buy-side pressure is decreasing. Likewise, if price and momentum became aligned to the sell side, it would suggest that sell side pressure is increasing.
- Price remains unchanged (USD 75 higher), we remain above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy-side.
- A close on the 4-hour candle below USD 10,216 with the RSI at or below 74 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 7,875 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures remain in divergence on the lower timeframe, warning we could see a momentum slowdown. If we close on the 4-hour candle below USD 10,272 it will warn that buy-side pressure is decreasing. Likewise, if price and momentum become aligned to the sell side, it would suggest that sell side pressure is increasing. We maintain our view that downside moves look like they will be countertrend at this point; however, due to the divergence in play, we continue to have a note of caution on upside moves at these levels, as they could struggle to hold.

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