



SMX Intraday Morning Technical

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Supramax March 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	11,166	R1	12,205		
S2	11,087	R2	12,852	RSI above 50	Stochastic overbought
S3	10,587	R3	13,676		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (80)
- Stochastic is overbought
- Price is above the daily pivot USD 11,166
- Technically bullish yesterday, the MA on the RSI was flat, implying momentum was neutral; however, there was still a marginal divergence on the 4-hour timeframe, whilst the 1-hour RSI is showing a more prominent divergence. Not a sell signal, it warned that we could see a momentum slowdown. We had adjusted to the Fibonacci projection levels in line with the lower timeframe Elliott wave cycle, meaning we had the potential to trade as high as USD 11,896 within this phase of the cycle. Higher timeframe Elliott wave analysis continued to suggest that downside moves should be considered as countertrend. Bullish, the divergences needed to be monitored.
- The futures continue to trade higher with price 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 11,166 with the RSI at or below 75 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,587 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI is suggesting we have light momentum support. Fibonacci levels have been revised again as we have come to the conclusion that this cycle is in line with the Panamax. We had been focusing on the lower timeframe Elliott wave cycle; however, the higher timeframe oscillators had also crossed (the higher and lower timeframe are actually one and the same cycle), suggesting this is a bullish impulse wave 5, meaning our potential upside target has been revised to USD 12,205. Conversely, key support is now at USD 10,587, below this level the probability of the futures trading to a new high will start to decrease. The 4-hour divergence has failed, but the 1-hour divergence remains in play, which needs to be monitored. A close on the 4-hour candle below USD 11,425 will imply that buyside pressure is easing, warning the Fibonacci support zone could come under pressure.

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