

Supramax April 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	11,325	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (57)
- Stochastic is overbought
- Price is above the daily pivot USD 11,291
- Bullish but with a neutral bias on the last report, due to the depth of the pullback the probability of the futures trading to a new high had started to decrease. Having sold lower on the divergence with the RSI, the MA on the RSI implied momentum was weak; again, warning resistance levels should hold if tested. As noted previously, we remain above the 55-period EMA (USD 10,470) which had the potential to act as an intraday support, meaning we maintained a note of caution on moves lower whilst approaching the average. For downside continuation, we needed to close below and hold below the average. The technical continued to suggest that upside moves could struggle to hold.
- The futures sold below the USD 9,550 fractal support, meaning we entered bearish territory. However, price gapped higher on the roll into April, resulting in the USD 11,417 resistance being breached. We are back 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 11,291 with the RSI at or below 48 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,402 will support a near-term bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. However, lower timeframe Elliott wave analysis confirmed a cycle/phase completion, meaning we remain cautious on moves higher at this point. If we do trade to a new high it will imply that there is an Elliott wave extension in play; however, like the Panamax, a move above USD 12,225 will create a negative divergence with the RSI, warning we could see a momentum slowdown on an upside breakout.