

FIS SMX Intraday Morning Technical

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Supramax May 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,325		RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is overbought
- Price is on the daily pivot USD 10,333
- Technically bearish yesterday, the MA on the RSI implied that we had light momentum support. Countering this, our Elliott wave analysis suggested that upside moves should be considered as countertrend. The upside move was on an intraday divergence, with price above the 200-period MA (USD 9,758), warned that resistance levels could come under pressure in the near-term. However, based on our wave analysis, we had a note of caution on moves higher, as the technical suggests that they could struggle to hold.
- The futures traded to a high of USD 10,500 before seeing a light pullback, we are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 10,333 with the RSI at or below 44.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. Upside moves that fail at or below USD 11,332 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI implies momentum is supported, whilst price remains above the 200-period MA (USD 9,954), meaning resistance levels remain vulnerable. However, Elliott wave analysis suggests caution on upside moves as they could struggle to hold, making USD 11,332 the key resistance to follow. If broken, then the probability of price trading to a new low will start to decrease. If price and momentum become aligned to the sell side, or we close below and hold below the USD 9,954 level, it will suggest that the USD 9,550 fractal low will be tested and broken.

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