

## Supramax May 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,225	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (40)
- Stochastic is oversold
- Price is below the daily pivot USD 10,475
- Bearish with a neutral bias yesterday, the futures continued to sell lower due to the divergence on the lower timeframe, warning the 200-period MA at USD 10,001 could be tested and broken. If it was, and we traded below USD 10,179, then the futures would be back in bearish territory. Conversely, a close back above the 55-period EMA (USD 10,611) would imply that there was an underlying support in the market. The MA on the RSI implied momentum is weak, whilst we were below the 55-period EMA, having broken fractal support, meaning we remained cautious on moves higher at that point.
- The futures sold below and closed below the 200-period MA (USD 10,388) yesterday, resulting in price gapping lower and breaching the USD 10,179 support on the open, the intraday technical is now back in bearish territory. We are currently below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 10,475 with the RSI at or above 53.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 10,966 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 that momentum is weak at this point, whilst price and the RSI are making new lows, suggesting upside moves should in theory be countertrend in the near-term. If we do close above an hold above the 200-period intraday MA (USD 10,388), it will warn that there could be an underlying support in the market. We remain cautious on moves higher, as the technical suggests that they could struggle to hold.