

FIS SMX Intraday Morning Technical

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Supramax July 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	10,578	R1	10,825	10,600	RSI above 50	Stochastic overbought
S2	10,363	R2	10,905			
S3	10,100	R3	11,125			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (56)
- Stochastic is overbought
- Price is below the daily pivot USD 10,825
- Technically bullish on Friday, the futures were above the USD 10,550—USD 10,650 (correction USD 10,600) resistance zone (highlighted on the chart), and the 200-period MA (USD 10,642). We noted that if we held above the average, it would further support a buyers argument; however, a close back below it would warn that the USD 10,328 support could come under pressure. This was a key level on the technical, if broken, then the probability of price trading to a new high would start to decrease. Lower timeframe Elliott wave analysis was a little unclear, if we moved higher, it would indicate it was probably a wave 3, but we needed to see a definitive break on the oscillators to confirm this.
- The futures traded to a high of USD 10,875 with our lower timeframe oscillator making a new high, suggesting downside moves should in theory be countertrend. We are correcting this morning but remain above the 8-21 period EMA's with the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 10,825 with the RSI at or below 52.5 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. Downside moves that hold at or above USD 10,363 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish but in a corrective phase, the futures are trading below but have not closed below the 200-period MA (USD 10,641); however, we remain above the support zone highlighted (USD 10,550—USD 10,600). If we hold above the support zone, it will indicate a change of polarity in the market, warning the USD 10,875 fractal high could be tested and broken. Conversely, if we close and hold below the support, we target the USD 10,363 level; if broken, then the probability of price trading to a new high will start to decrease.

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