

Supramax July 25 Morning Technical Comment – 240 Min



	Support		Resistance		Current Price	Bull	Bear
S1	10,363	R1	10,516		10,450	RSI above 50	
S2	10,265	R2	10,650				
S3	10,100	R3	10,713				

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (52)
- Stochastic is above 50
- Price is below the daily pivot USD 10,516
- Technically bullish but in a corrective phase yesterday, the futures were trading below but had not closed below the 200-period MA (USD 10,641); however, we remained above the support zone highlighted (USD 10,550—USD 10,650). If we held above the support zone, it would 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 held below the support, we would target the USD 10,363 level; if broken, then the probability of price trading to a new high would start to decrease.
- The futures continue to sell lower with price trading below the USD 10,550—USD 10,600 support zone. We are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 10,516 with the RSI at or above 58 will mean price and momentum are aligned to the buy side. 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 we remain in bullish territory, if we trade below the USD 10,363 support, then the probability of price trading to a new high will start to decrease. On the chart, we have highlighted three lows, which have created an inverse head and shoulders pattern, in theory, this is a bullish pattern. The failure to hold above the support zone highlighted yesterday (on chart, red bar), means the futures are back below the neckline breakout. The bullish pattern has not failed yet; however, if we do not close back above and hold above the USD 10,650 level, then it will. Like the Capesize symmetrical triangle, the futures should be seeing bullish price action, yet we are back below the neckline, which is a concern.