

Supramax July 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	10,850	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is overbought
- Price is below the daily pivot USD 10,891
- Technically bullish on the previous report, the MA on the RSI implied that we had light momentum support. The neckline breakout indicated that there was an underlying support in the market, warning resistance levels were starting to look vulnerable. However, for upside continuation we needed to see a daily candle close that held above the daily 200-period MA (USD 10,913). Conversely, market longs should act with caution if we start to close back below the neckline support (USD 10,550). Bullish signals warned that we could move higher, the daily 200-period MA was going to be key to upside continuation.
- The futures have traded to a new high with price now at an inflection point, as the futures are trading on the daily 200-period MA (USD 10,850). We are above all key intraday moving averages with the RSI above 50, intraday price and momentum are aligned to the buy side; as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle below USD 10,891 with the RSI at or below 56.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,577 would support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is supported; however, the new high means we are now in divergence with the RSI, suggesting caution on moves higher at these levels. If we close and hold above the daily 200-period MA, it will support a bull argument. Due to the divergence, we are now a cautious bull, as upside moves from here could struggle to hold.