

Supramax Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	11,600	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 (69)
- Stochastic is overbought
- Price is above the daily pivot USD 11,400
- Technically bullish yesterday, the MA on the RSI was flat, implying momentum had started to slow down. The RSI did break resistance yesterday; however, faster moving momentum indicators remained overbought, meaning we continued to be cautious on upside moves at those levels. A close that held below trend support (USD 11,283) would warn that the futures were entering a corrective phase, leaving the Fibonacci support zone vulnerable. Corrective moves lower that hold at or above 10,747 will warn that there could be a larger, bullish Elliott wave cycle coming into play.
- We remain support with the futures trading to a high of USD 11,600. Price is above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 11,400 with the RSI at or below 64 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,764 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the new high means we have a minor divergence in paly with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, which needs to be monitored. If the divergence fails, it will further support a buyers argument. Lower timeframe Elliott wave analysis suggests that corrective moves lower should be considered as countertrend. Dut to the divergence in play, we continue to have a note of caution on upside moves at this point. A close that holds below trend support (USD 11,370), will warn that price cvould be entering a corrective phase lower.