

Supramax Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,325	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 (78)
- Stochastic is overbought
- Price is above the daily pivot USD 12,308
- Technically bullish on Friday, the MA on the RSI implied that momentum was supported. The acceleration to the upside meant that the futures were trading USD 765 above the trend support line (USD 11,560). Although the trend remained bullish, we did have a potential mean reversion gap forming, that needed to be monitored. As noted previously, our Elliott wave analysis suggested that downside moves should be considered as countertrend.
- The futures remain supported just below the USD 12,350 high. We are 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 12,308 with the RSI at or below 69.5 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 11,045 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies momentum is supported. The futures are consolidating near their highs, whilst the trend support line has risen to USD 11,669, meaning the reversion gap has decreased by USD 100. The RSI remains overbought, meaning the technical is vulnerable to an intraday pullback; however, our Elliott wave analysis suggests downside moves should be considered as countertrend. If we do trade below USD 11,045, then the probability of the futures trading to a new high will start to decrease.