

Supramax Aug 25 Morning Technical Comment – 240 Min



Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (83)
- Stochastic is overbought
- Price is above the daily pivot USD 13,233
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported, whilst the RSI was making new highs alongside price. This supported our Elliott wave analysis that suggested downside moves should be considered as countertrend. A close on the 4-hour candle below USD 12,837 will indicate that buy-side pressure is easing; if price and momentum became aligned to the sell side, it would warn that we could be entering a countertrend corrective move lower.
- The futures remain supported with price starting to consolidate on their highs. 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 13,233 with the RSI at or below 79 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 11,427 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures are finding resistance at three standard deviations above the linear regression line (USD 13,522), suggesting price is overextended to the upside. However, intraday Elliott wave analysis is indicating that downside moves should be considered as countertrend. If price and momentum become aligned to the sell side, it will imply sell side pressure is increasing, warning we could be entering a corrective phase.