

Supramax Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	14,550	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (66)
- Stochastic is overbought
- Price is below the daily pivot USD 14,783
- Technically bullish yesterday, the MA on the RSI implied that momentum remained weak; however, the upside move previously warned that the USD 15,125 fractal high could be tested and broken; if it was, then we are looking at a lower timeframe bullish Elliott wave extension, suggesting we could trade as high as USD 17,124 within this phase of the cycle. However, above USD 15,125 the futures would be in divergence with the RSI, not a sell signal it warned we could see a momentum slowdown, which would need to be monitored. Regardless of price making a new high, our wave analysis continued to suggest that downside moves should be considered as countertrend.
- The futures have failed to make a new high with price USD 200 lower this morning. 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 14,783 with the RSI at or above 74 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 11,988 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum remains weak. Price and momentum are now aligned to the sell side; if we close and hold below the linear regression line (USD 14,232), it will imply sell side pressure is increasing, warning the Fibonacci support zone could come under pressure. Elliott wave analysis continues to suggest that downside moves should be considered as countertrend. We remain cautious on upside breakouts above USD 15,125, as the futures will be in divergence with the RSI.