

Supramax Aug 25 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	14,350	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (59)
- Stochastic is oversold
- Price is below the daily pivot USD 14,083
- Technically bullish but in a corrective phase yesterday, the MA on the RSI implied that momentum remained weak. The futures had closed below the linear regression line; if we held below it, then the Fibonacci support zone could come under pressure. However, as noted previously, Elliott wave analysis suggested that downside moves should in theory be countertrend, making USD 11,988 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease.
- The futures traded to a low of USD 13,925 before finding light bid support this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 14,083 with the RSI at or above 66.5 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 is starting to flatten, implying sell side momentum is slowing. Elliott wave analysis indicates that downside moves should be considered as countertrend, making USD 11,988 the key support to follow. The futures are below but approaching the linear regression line (USD 11,489), a close that holds above it will warn that the USD 15,125 fractal resistance could be tested and broken. Conversely, if rejected, it will suggest we remain in a corrective phase of the bullish wave cycle. Like Panamax, we are seeing buyside support, but will need to see further upside to confirm resistance levels are vulnerable.