

Supramax Oct 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	15,150	R1	15,641	15,375	Stochastic oversold	RSI below 50
S2	14,534	R2	16,539			
S3	14,048	R3	17,125			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (44)
- Stochastic is oversold
- Price is below the daily pivot USD 15,641
- Unchanged on the technical on Thursday, we remained bullish but in divergence on the 1-hour timeframe, meaning we were cautious on upside moves at those levels. However, the higher timeframe Elliott wave cycle continued to suggest that downside moves should be considered as countertrend, making USD 12,158 the key support to follow, as this level was related to the higher timeframe wave cycle. A cautious bull, as price is looking vulnerable to an intraday pullback.
- The futures have rolled into October but continue to sell lower. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,641 with the RSI at or above 61 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 14,534 will support a bull argument, below this level the technical will have a neutral bias (for this phase of the lower timeframe cycle).
- We remain bullish but in a corrective phase with the MA on the RSI implying that momentum is weak. Price is now trading two standard deviations below the linear regression line, warning we are starting to look over extended to the downside in the near-term. However, upside moves that fail at or below USD 16,539 will warn that there could be further downside within this phase of the corrective cycle. Below USD 14,534 the probability of price trading to a new high will start to decrease, meaning the probability of the futures entering a higher timeframe Corrective phase will have started to increase. Elliott wave analysis does suggest that downside moves should be considered as countertrend.

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