

Supramax Oct 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	14,534	R1	15,391	Stochastic oversold	RSI below 50
S2	14,048	R2	16,436		
S3	13,225	R3	17,125		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot USD 15,391
- We remained bullish but in a corrective phase yesterday with the MA on the RSI implying that momentum was weak. Price was 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 failed at or below USD 16,539 would 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 would start to decrease, meaning the probability of the futures entering a higher timeframe corrective phase would have started to increase. Elliott wave analysis did suggest that downside moves should be considered as countertrend.
- The futures have continued to sell lower with price below the 8-21 period EMA's, the RSI is below 50 whilst price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,391 with the RSI at or above 54 will mean price and momentum are aligned to the buyside. 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). Key longer-term support on the higher timeframe cycle is at USD 12,158.
- Bullish but in a corrective phase, the MA on the RSI implies momentum is weak. Price is now trading over two standard deviations below the linear regression line; however, the Panamax has broken near-term support whilst price is below the 55-period EMA (USD 15,545), warning the USD 14,534 support is now vulnerable. If broken, it will warn that we could be entering a higher timeframe Elliott wave correction. Key resistance to follow is at USD 16,436, upside moves that fail at or below this level will warn that there could be further downside to follow.

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