

Supramax Oct 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	15,625	R1	16,981	RSI above 50	
S2	15,391	R2	17,441		
S3	14,534	R3	18,097		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (54)
- Stochastic is below 50
- Price is above the daily pivot USD 15,625
- Bullish but in a corrective phase on Tuesday, the MA on the RSI implied that momentum was weak. Price was trading over two standard deviations below the linear regression line; however, we noted that the Panamax had broken near-term support, whilst price was below the 55-period EMA (USD 15,545), warning the USD 14,534 support was vulnerable. If broken, it would warn that we could be entering a higher timeframe Elliott wave correction. Key resistance to follow is at USD 16,436, upside moves that failed at or below this level would warn that there could be further downside to follow.
- The futures moved above the 55-period EMA yesterday (USD 15,586) with price breaching the USD 16,436 resistance this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,625 with the RSI at or below 44 will mean price and momentum are aligned to the sell 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). Key longer-term support on the higher timeframe cycle is at USD 12,158.
- The futures held above the USD 14,534 level with price breaching the USD 16,436 level this morning, meaning the USD 17,125 fractal high is vulnerable in the near-term. Upside moves above USD 17,125 will create further negative divergences with the RSI, implying caution above this level. Likewise, a close back below the 55-period EMA will imply sell side pressure is increasing. Buyside pressure has increased, key resistance has been broken, warning resistance is vulnerable; however, due to the divergence at higher levels, we maintain a note of caution on upside moves, as they could struggle to hold.

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