

Supramax Oct 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	16,338	R1	16,991	16,475	RSI above 50	Stochastic overbought
S2	16,137	R2	17,441			
S3	15,797	R3	18,097			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (54)
- Stochastic is overbought
- Price is above the daily pivot USD 16,991
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported. Fibonacci projections suggested that we could trade as high as USD 17,441 within this phase of the cycle. However, as noted previously, we had multiple divergences in play, warning upside moves could struggle to hold. We were cautious bull.
- The futures have entered a corrective phase. 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 16,991 with the RSI at or above 60.5 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 15,797 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 12,207.
- Bullish but in a corrective phase, the Ma on the RSI has started to flatten, implying buyside pressure is easing. Corrective moves that hold at or above USD 15,7497 will support a near-term bull argument, warning we could see another teste to the upside; if broken, the probability of the futures trading to a new high will start to decrease. We remain cautious on upside moves at these levels, due to the divergences in play; however, there looks to still be a larger bullish wave cycle in play, implying downside moves are still considered as countertrend, making USD 12,207 the key support to follow on the higher timeframe.