

Supramax Oct 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	16,391	R1	17,200	RSI above 50	
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 (55)
- Stochastic is oversold
- Price is above the daily pivot USD 16,391
- Unchanged on the technical again on Friday, we remained bullish with price moving lower on the negative divergence with the RSI, meaning we were cautious on upside moves at that point. However, whilst above the USD 15,797 support, resistance levels remained vulnerable. If broken, then the probability of price trading to a new high within this phase of the cycle would start to decrease. Below USD 15,075 the intraday technical would be bearish based on price. However, there remains a larger bull Elliott wave cycle in play, meaning downside moves should be considered as countertrend, making USD 12,207 the key longer-term support to follow.
- The futures have seen light bid support meaning price is 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 16,391 with the RSI at or above 58 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. 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.
- Technically bullish, the MA is warning that momentum remains weak; however, if price and momentum become aligned to the buy side, it will signal bull pressure is increasing, warning the USD 17,200 fractal high could be tested and broken. Conversely, downside moves below USD 15,797 will warn that the probability of the futures trading to a new high within this phase of the cycle will start to decrease; whilst above this level, resistance levels remain vulnerable.