

Supramax Oct 25 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	15,075	R1	15,908	15,675	RSI below 50
S2	14,318	R2	16,095		
S3	14,210	R3	16,592		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (44)
- Stochastic is below 50
- Price is below the daily pivot USD 15,908
- Technically bullish with a neutral bias yesterday, price and momentum were aligned to the buyside; however, the MA on the RSI indicated that momentum remained weak. As highlighted previously, with price selling below key support on the back of a negative divergence with the RSI, we continued to have a note of caution on upside moves. However, if we did trade back above the USD 16,592 resistance, it would put price back in bullish territory, warning buyside pressure was increasing.
- The upside move failed to hold with price rejecting the 55-period EMA (USD 15,938), resulting in the futures selling lower. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below USD 15,908 with the RSI at or below 43 will mean price and momentum are aligned to the sell side; likewise, a close above this level will mean it is aligned to the buyside. Downside moves that hold at or above USD 12,207 will support a longer-term bull argument. conversely, upside moves that fail at or below USD 16,592 will leave the futures vulnerable to further tests to the downside, above this level, resistance levels will start to look vulnerable.
- Unchanged on the technical this morning, we remain bullish but with a neutral bias. The RSI is still above its average; however, the MA on the RSI continues to imply that momentum is weak. As noted previously, with the pullback considered as deep on the back of the negative divergence with the RSI, meaning we remain cautious on upside moves at this point. However, if we do trade above the USD 16,592 level, it will imply buyside pressure is increasing, as price will be back in bull territory.