FIS

SMX Intraday Morning Technical

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Supramax Nov 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	15,050	R1	15,611	14,875	RSI above 50	
S2	14,840	R2	16,350			
S3	14,425	R3	17,200			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is above 50
- Price is above the daily pivot USD 15,083
- The futures remain bearish with a neutral bias yesterday, with the MA on the RSI implying momentum was supported. A close that held below the 55-period MA (USD 14,840) would warn that the USD 14,425 support could be tested and broken; if it was, then the technical would be back in bearish territory. Conversely, upside moves that failed at or below USD 15,611 would leave the futures vulnerbale to further tests to the downside, above this level the USD 16,350 and USD 17,200 fractal resistance levels would become vulnerbale. The bearish island reversal pattern meant that we were cautious on upside moves whilst below the USD 15,611 resistance. If broken, it would indicate that buyside pressure was increasing. As noted yesterday, market bulls would need to hold price above the USD 14,425 support.
- The futures held above the 55-peirod EMA yesterday (USD 14,850) but failed to close above the intraday 200-period MA (USD 15,120). Bids are lower this morning; however, we are seeing little price activity. We are between the 8-21 period EMA with the RSI near neutral at 51, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 15,080 with the RSI at or above 58 will mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 14,425 will support a near-term bull argument, below this level the technical will be back in bear territory. Downside moves that hold at or above USD 12,207 will support a longer-term bull argument.
- With price lagging the Panamax yesterday whilst the index remained supported alongside buyside pressure in the Capes, we had been expecting to see bid support on the open this morning; however, price is lower on the open. The futures remain bearish with a neutral bias, with the MA on the RSI implying momentum is supported, but RSI is below its average, meaning we are seeing signs that momentum is weakening. We are now testing the 55-period EMA (USD 14,850), a close that holds below it will warn that the USD 14,425 support could be tested and broken, if it is, then the technical is back in bearish territory; if we hold, resistance could come under pressure . Conversely, upside moves that fail at or below USD 15,611 will leave the futures vulnerbale to further tests to the downside, above this level the USD 16,350 and USD 17,200 fractal resistance levels will become vulnerbale. The bearish island reversal pattern means we continue to be cautious on upside moves whilst below the USD 15,611 resistance. If broken, it will indicate that buyside pressure is increasing. As noted previously, market bulls will need to hold price above the USD 14,425 support.