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	14,833	14,700	Stochastic oversold	RSI below 50
S2	14,840	R2	15,611			
S3	14,425	R3	16,350			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (49)
- Stochastic is oversold
- Price is below the daily pivot USD 14,833
- With price lagging the Panamax previously whilst the index remained supported alongside buyside pressure in the Capes, we had been expecting to see bid support on the open yesterday; however, price was lower on the open. The futures remained bearish with a neutral bias, with the MA on the RSI implying momentum was supported, but RSI is below its average, meaning we were seeing signs that momentum was weakening. We were testing the 55-period EMA (USD 14,850), a close that held below it 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; if we held, resistance could come under pressure . Conversely, upside moves that failed 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 would become vulnerbale. The bearish island reversal pattern means we continued to be cautious on upside moves whilst below the USD 15,611 resistance. If broken, it would indicate that buyside pressure is increasing. As noted previously, market bulls would need to hold price above the USD 14,425 support.
- The futures have seen a small move lower on the momentum weakness, meaning we are below the 55-peiord EMA (USD 14,833), price is now below all key moving averages with the RSI near-neutral at 49, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 14,833 with the RSI at or above 56 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. Key longer-term support remains at USD 12,207.
- Technically bearish with a neutral bias, the MA on the RSI implies that momentum is weak. The futures are now below the 55-period EMA, meaning the USD 14,425 support is starting to look vulnerable; if broken, then the futures will be back in bearish territory. Conversely, a close back above the 55-period EMA will warn that bid support is entering a the market, whilst a close that holds above the 200-period MA 15,120 will indicate that buyside pressure is increasing. Price is now near key support (USD 14,425), meaning we are at an inflection point; whilst above it, resistance is considered as vulnerable, meaning market bulls will need to defend this level.