FIS

SMX Intraday Morning Technical

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Supramax Nov 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	14,491	R1	15,126	14,825	Stochastic oversold	
S2	14,425	R2	15,538			
S3	14,101	R3	16,350			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (51)
- Stochastic is oversold
- Price is above the daily pivot USD 14,491
- Technically bearish yesterday, the MA on the RSI implies that momentum is weak, whilst the move below USD 14,425 meant that the probability of the futures trading to a new high had started to decrease. Since moving lower on the bearish island reversal pattern the futures have broken key support, indicating the technical condition has weakened, meaning we were cautious on upside moves whilst below the USD 15,538 resistance.
- The futures have opened with light bid support with price trading on the 55-peirod EMA (USD 14,792). We are above the 8-21 period EMA supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 14,491 with the RSI at or above 53.5 will mean price and momentum are aligned to the buyside; likewise, a close below this level with the RSI at or below 49 will mean it is aligned to the sell side. Upside moves that fail at or below USD 15,538 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI implies that momentum remains weak at this point. The futures are now on the 55-period EMA, meaning we are at an inflection point. A close that holds above the average will target the 200-period MA at USD 15,126. The 200 MA is a key longer-term average, a rejection here will warn that support levels could come back under pressure; conversely, a close that holds above it will imply that buyside pressure is increasing, warning the USD 15,538 resistance could come under pressure. Failure to close and hold above the 55-period EMA will warn that the USD 14,400 - USD 13,550 fractal support zone could be tested. As highlighted yesterday, with price trading back into bearish territory, we are currently cautious on upside moves whilst below the USD 15,538 resistance.