SMX Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Supramax Dec 25 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	15,933	R1	16,350	16,000	RSI above 50	Stochastic overbought
S2	15,347	R2	16,995			
S3	15,037	R3	17,200			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is above the daily pivot USD 15,933
- Technically bullish yesterday, the MA on the RSI implied that momentum was supported, warning resistance levels remained vulnerable. We highlighted an a, b, c, d pattern on the chart; if a-b = c-d, it gave us a resistance level at USD (16,275), this had attracted selling interest in the market, pushing price lower. The upside moves had resulted in the RSI breaking near-term resistance, suggesting intraday downside moves should be considered as countertrend in the near-term, making USD 14,617 the key support to follow. Below this level the probability of the futures trading to a new high would start to decrease. Bullish, we were vulnerable to a pullback in the near-term due to the USD 16,275 resistance.
- The futures sold to a low of USD 15,700 before holding the 8-period EMA, resulting in price finding light bid support. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,933 with the RSI at or below 60 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 14,617 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI continues to suggest that momentum is supported, meaning resistance levels remain vulnerable. As highlighted yesterday, USD 16,300 is the 100% Fibonacci projection of the a, b, c, d pattern, for upside continuation, we will need to close and hold above this level, as this resistance level was respected on the 12/11.25. Conversely, below USD 14,617, the probability of the futures trading to a new high will start to decrease. Based on the RSI achieving a new high yesterday, we maintain our view that downside moves look like they could be countertrend.