

Supramax Dec 25 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	15,600	R1	16,300	15,875	RSI above 50	
S2	15,347	R2	16,350			
S3	15,246	R3	16,995			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is oversold
- Price is above the daily pivot USD 15,600
- Technically bullish but in a corrective phase on Friday, the futures had rejected the high of the a, b, c, d pattern (USD 16,300), warning support levels could come under pressure. A close that held below the intraday 200-period MA (USD 15,264) would indicate that sell side pressure was increasing, warning the USD 14,617 Fibonacci support could be tested. If broken, then the probability of the futures trading to a new high would start to decrease. Conversely, downside moves that held at or above the 200-period MA would warn that there was an underlying support in the market. The RSI high did suggest that downside moves had the potential to be countertrend; however, we were seeing a robust rejection of the USD 16,300 resistance, warning market sellers were currently in control. USD 16,300 was the key upside resistance to follow.
- The futures traded to a low of USD 15,400, meaning price held above the intraday 200-period MA (USD 15,268), resulting in the futures seeing a small move higher. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 15,600 with the RSI at or above 63.5 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is 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 implies that momentum remains weak at this point. The futures have held above the 200-period MA, suggesting there is in underlying support in the market, warning resistance levels are vulnerable. However, market buyer's should be cautious until price and momentum become aligned to the buyside. Failure to do so will leave the intraday 200-period MA vulnerable.