

Supramax Jan 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	12,900	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot USD 12,975
- Technically bearish on Friday, Fibonacci projection levels suggested that we could trade as low as USD 12,777 for this phase of the corrective phase. However, the 1-hour RSI was in divergence, meaning we are cautious on downside moves at those levels in the near-term. Our Elliott wave analysis suggested that upside moves should be considered as countertrend, making USD 13,940 the key resistance to follow. Above this level the probability of price trading to a new low would start to decrease.
- The futures have traded to a low of USD 12,900, we are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting, as the previous candle closed above the daily pivot level.
- A close on the 4-hour candle above USD 12,975 with the RSI at or above 45.5 will mean price and momentum are aligned to the buy side; likewise, a close below this level will mean it is aligned to the sell side. Upside moves that fail at or below USD 13,906 will leave the futures vulnerable to further tests to the downside, above this level the technical will be back in bullish territory.
- Unchanged on the technical today, we remain bearish with the MA on the RSI indicating that we have light momentum weakness. The 1-hour RSI remains in divergence with the RSI, warning sell side momentum could slow, meaning we are cautious on downside moves at these levels. However, our Elliott wave analysis continues to suggest that upside moves should be considered as countertrend, making USD 13,906 the key resistance to follow. Above this level the probability of the futures trading to a new low will start to decrease.