

Supramax Jan 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	10,608	R1	12,279	10,925		RSI below 50
S2	10,400	R2	12,789			
S3	9,950	R3	13,512			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (34)
- Stochastic is below 50
- Price is above the daily pivot USD 10,608
- Technically bearish on Friday, we had support levels below us whilst a move below USD 10,450 would create a negative divergence with the RSI. Not a buy signal, it warned that we could see a momentum slowdown, which needed to be monitored. We continued to be cautious on downside moves at those levels.
- The futures continue to find light bid support with price now between the 8-21 period EMA's. The RSI is below 50 with price and momentum now aligned at the buy side.
- A close on the 4-hour candle below USD 10,608 with the RSI at or below 25 will mean price and momentum are aligned to the sell side. Up-side moves that fail at or below USD 14,492 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 is supported. Elliott wave analysis suggests that upside moves should be considered as countertrend, making USD 14,492 the key resistance to follow; if broken, then the probability of the futures trading to a new low will start to decrease. With price and momentum now aligned to the buy side, we are seeing signs that buy side pressure is increasing, leave price vulnerable to an intraday move higher in the near-term.