

FIS SMX Intraday Morning Technical

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Supramax Feb 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	9,612	R1	10,316	Stochastic oversold	RSI below 50
S2	9,085	R2	10,482		
S3	8,362	R3	10,906		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (27)
- Stochastic is oversold
- Price is below the daily pivot USD 10,316
- Technically bearish on Friday, the MA on the RSI was flat, implying momentum was neutral. Due to the roll price and momentum were aligned to the sell side, meaning the USD 10,450 fractal low could be tested and broken. If it was, then we had a potential downside target at USD 7,639 for this phase of the cycle; however, a new low would create a positive divergence with the RSI, warning we could see a momentum slowdown, this needed to be monitored. Elliott wave analysis continued to suggest that upside moves should be considered as counter-trend.
- The futures have now traded to a new low. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 10,316 with the RSI at or above 35.5 will mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 10,906 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 weak, whilst Fibonacci projection levels suggest that we could trade as low as USD 7,639 within this phase of the cycle. The new low means that price is in divergence with the RSI, not a buy signal, it is a warning that sell side momentum could slow down, this needs to be monitored. Although bearish, due to the divergence in play we now have a note of caution on downside moves. Upside moves above USD 10,906 will warn that the probability of the futures trading to a new low has started to decrease, whilst above USD 11,425 the technical will become bullish.

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