

FIS SMX Intraday Morning Technical

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Supramax Feb 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	9,900	R1	10,425	10,450		RSI below 50
S2	9,209	R2	10,906			
S3	8,525	R3	11,425			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (38)
- Stochastic is above 50
- Price is below the daily pivot USD 10,425
- Technical Outlook—Cautious bear. The RSI moving average continued to indicate that momentum was supported on Friday, with recent upside moves largely driven by a positive RSI divergence. However, price remained below key resistance at USD 10,906. A rejection at USD 10,906 would suggest the potential for further technical weakness, a move above this resistance would reduce the probability of the futures trading to a new low. Given the recent move higher on the divergence, we continue to exercise caution on downside moves.
- The recent upside move has failed to trade above the USD 10,906 resistance resulting in price selling lower. 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 10,425 with the RSI at or above 43 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.
- Technical Outlook—Cautious bear. The recent rally has rejected the USD 10,906 resistance, reinforcing the risk that USD 9,900 support could be tested and potentially broken. However, as highlighted previously, a move below USD 9,900 would create a second positive divergence with the RSI, meaning we continue to exercise caution on downside moves. The divergence is not a buy signal but it does warn that sell side momentum could slow down, this will need to be closely monitored. On the upside, a move above USD 10,906 would indicate strengthening buyside pressure, and warn that the probability of price trading to a new low has started to decrease. For upside continuation we will need to see a sustained move above the 55-period EMA (USD 11,077) that also trades above the USD 11,425 fractal resistance. A successful break and hold above these levels would shift the technical structure to bullish.

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