

Supramax Feb 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	9,900	R1	10,675	
S2	9,209	R2	10,906	Stochastic oversold
S3	8,525	R3	11,425	RSI below 50

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Price is above the daily pivot USD 10,100
- Technical Outlook—Cautious bear. We noted yesterday that the recent rally had 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 continued to exercise caution on downside moves. The divergence was not a buy signal but it did warn that sell side momentum could slow down, this would need to be closely monitored. On the upside, a move above USD 10,906 would indicate strengthening buy-side pressure, and warn that the probability of price trading to a new low has started to decrease. For upside continuation we would 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.
- The futures sold to a low of USD 10,000; however, price has opened with bid support this morning. We are between the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 10,100 with the RSI at or above 43.5 will mean price and momentum are aligned to the buy side. Likewise, a close below this level with the RSI at or below 39 will mean price and momentum are aligned to the sell side. 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.
- Sell-side pressure in the prior session failed to hold as a positive divergence below USD 9,900 prompted a rebound, resulting in higher prices on the open. The presence of divergence alongside Fibonacci support argues for caution on further downside at this stage. On the upside, a move above USD 10,906 would signal strengthening buy-side pressure and reduce the probability of price printing a new low. For upside continuation, price would need to sustain a move above the 55-period EMA at USD 11,077 and subsequently clear the USD 11,425 fractal resistance. A successful break and hold above these levels would mark a structural shift to a bullish technical outlook. Until then, the broader bias remains cautiously bearish.