

Supramax Feb 26 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	11,958	R1	13,000		RSI above 50	Stochastic overbought
S2	11,614	R2	13,341			
S3	10,843	R3	13,775			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (72)
- Stochastic is overbought
- Price is above the daily pivot USD 11,958
- Technical outlook on Friday: Bullish. Both price and the RSI were making new highs, implying that the upside move should be viewed as a bullish impulse. Consecutive bullish daily candles had formed a three white soldiers pattern, reinforcing a shift in market psychology towards the bullish side in line with rising price action. This change in psychology suggested that any downside moves should be considered countertrend. We identified USD 10,656 as the key support level to monitor. Corrective throwbacks that held at or above this level would further support the bullish argument, while a move below USD 10,656 would weaken the intraday bullish market structure.
- The futures have continued to move higher. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buy side.
- A close on the 4-hour candle below USD 11,958 with the RSI at or below 57 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 10,843 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Bullish. We continue to see a bullish bias on the technical with price achieving new highs. The RSI moving average implies momentum support while also making new highs, suggesting downside moves should be viewed as countertrend. We identify USD 10,843 is a key support level, a break below this level will signal that sell-side pressure is increasing, warning the probability of price achieving new highs will begin to decrease. Conversely, throwbacks that hold above USD 10,843 will keep the broader bullish structure intact. The psychological shift last week alongside momentum support suggests a cautious approach on corrective moves lower, as the technical indicate that they would be against the trend.