

Supramax Feb 26 Morning Technical Comment – 240 Min

Support	Resistance	Current Price	Bull	Bear
S1	12,122	R1	12,575	
S2	11,825	R2	12,885	
S3	10,852	R3	13,212	Stochastic overbought

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is above 50 (65)
- Stochastic is overbought
- Price is below the daily pivot USD 12,575
- Technical outlook Friday: Bullish Throwback (unchanged). The upside move previously meant that price had not broken the USD 12,675 fractal high. A move above this level would confirm that we had entered a bullish impulse Elliott wave 5, suggesting we had a potential upside target at USD 13,539 for this phase of the cycle. However, a new high would create a negative divergence with the RSI, warning buyside momentum could slow, this would need to be monitored.
- The futures traded to a high of USD 12,700 before seeing bids fade. We are between the 8-21 period EMA's with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 12,575 with the RSI at or above 64 will mean price and momentum are aligned to the buy side. Downside moves that hold at or above USD 12,122 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook: Cautious Bull.
- The upside move to a new high means that the futures are divergent with the RSI, this has resulted in bids fading and price and momentum becoming aligned to the sell side, making USD 12,122 the key near-term support to follow. A move below USD 12,122 will reduce the probability of the futures achieving a new high, while below USD 11,825 the technical will be bearish based on price. However, corrective moves that hold at or above USD 10,852 will warn that there could be a larger, bullish Elliott wave cycle coming into play. Fibonacci extension levels indicate we could trade as high as USD 13,539, but the divergence will need to be monitored closely on any higher moves from here.