

Supramax March 26 Morning Technical Comment – 240 Min



Support	Resistance	Current Price	Bull	Bear
S1	R1	16,325	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is below the daily pivot USD 15,800
- Technical outlook Thursday: Cautious Bull. Momentum was conflicting last week as we had two negative divergences with the RSI, warning buy-side momentum could slow down. However, the stochastic had made a new high, warning we could yet challenge the USD 15,875 fractal high again. The conflation continued to suggest caution, if the stochastic was correct, and the RSI broke near-term resistance, then we will be looking at momentum confirmation, implying price remained supported in the very near-term.
- The stochastic was correct as price has traded to new highs; however, the RSI remains below near-term resistance at this point. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 15,800 with the RSI at or below 62 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 13,238 will support a bull argument, below this level the technical will have a neutral bias. Note: support has been moved lower in line with the bullish Elliott wave extension highlighted in the weekly report last week.
- Technical outlook: Cautious bull
- The futures remain in divergence with the RSI, not a sell signal it is a warning that buyside momentum could slow down, this will need to be monitored. Countering this, the RSI is currently testing near-term resistance from the 11/02, if broken, it will warn that Fibonacci resistance could come under further pressure.