



# SMX Intraday Morning Technical

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## Supramax May 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	15,933	R1	17,464	RSI above 50	Stochastic overbought
S2	15,471	R2	18,625		
S3	14,449	R3	20,089		

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (81)
- Stochastic is overbought
- Price is above the daily pivot USD 15,933
- Technical outlook Previously: Minor negative divergence
- The upside move on the open yesterday had created a minor divergence between price and the RSI, which needed to be monitored. We noted that if the divergence failed, then the USD 16,780 resistance would be vulnerable. We continued to highlight this as a key resistance, if broken, then the probability of the futures trading to a new low would begin to decrease. On the buy-side, the RSI move above 70, implied buy-side momentum had strengthened. However, the divergence implied caution; if the RSI failed to make a new high and moved back below 70 it would signal that sell side pressure was on the increase.
- The divergence failed into the close yesterday resulting in price trading above the USD 16,780 resistance on the open. 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 15,933 with the RSI at or below 70 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 14,458 will support a bull argument, below this level the technical will have a neutral bias.
- Technical outlook : caution on downside moves
- The upside move above USD 16,780 means that the futures have re-entered bull territory, meaning the probability of the futures trading to a new low has started to decrease. The RSI moving average implies momentum is supported, while both the RSI and price are making new highs, suggesting throwbacks have a higher probability of being corrective, rather than bearish.

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