



SMX Intraday Morning Technical

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Supramax May 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	18,075	R1	18,443	RSI above 50	Stochastic overbought
S2	17,760	R2	18,960		
S3	17,313	R3	19,478		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (75)
- Stochastic is overbought
- Price is above the daily pivot 18,075
- Technical outlook Previously: Negative divergence—cautious bull
- We noted yesterday that the upside move to a new high on the positive reversal pattern had resulted in a negative divergence with the RSI. Not a sell signal, it warned that we could see a momentum slowdown, this needed to be monitored. We also noted that USD 18,334 was two standard deviations above the daily 200—period MA; On its own, this did not mean price would enter a corrective phase; however, when considered together with the divergence, advanced caution is advised.
- The futures traded to a high of USD 18,375 with price remaining supported. We are above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 18,075 with the RSI at or below 64.5 would mean price and momentum were aligned to the sell side. Downside moves that hold at or above USD 17,767 will support a bull argument, below this level the technical will have a neutral bias. However, throwbacks that hold at or above USD 14,937 will warn that there could be a larger, bullish cycle coming into play.
- Technical outlook: Negative divergence—cautious bull
- Unchanged on the technical today. Due to the negative divergence with the RSI, alongside USD 18,397 being two standard deviations above the daily 200-period MA, we maintain a cautious approach to upside moves at these levels.

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