



SMX Intraday Morning Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

Supramax May 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	16,767	R1	17,366	Stochastic oversold	RSI below 50
S2	16,358	R2	17,517		
S3	15,755	R3	17,903		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Price is below the daily pivot 17,366
- Technical outlook Previously: Momentum conflict
- The futures were selling lower on the negative divergence with the RSI yesterday, warning the USD 17,313 support could be tested and broken. However, we noted that we had a positive reversal pattern in play with the RSI, indicating underlying support. This meant that while above USD 17,313 level resistance was still vulnerable. Below this level the probability of price trading to a new high would begin to decrease.
- The futures continue to sell lower. We are below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 17,366 with the RSI at or above 59 would mean price and momentum are aligned to the buy side. Upside moves that fail at or below USD 17,903 will leave support levels vulnerable, above USD 17,903 the futures will re-enter bullish territory.
- Technical outlook: Sell side pressure increasing
- The move below USD 17,313 means that the probability of the futures trading to a new high has begun to decrease, signaling sell-side pressure is on the increase. We should note that the positive reversal pattern is still in play while above the USD 16,800 level; however, the depth of the pullback suggests that the USD 17,903 resistance is now less likely to be tested. This implies that intraday upside moves have a greater chance of being countertrend in the near-term.

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