



SMX Intraday Morning Technical

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

Supramax July 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	18,491	R1	18,780	RSI above 50	Stochastic overbought
S2	17,522	R2	19,158		
S3	16,689	R3	19,800		

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is overbought
- Price is above the daily pivot 18,491
- Technical outlook Previously: Potential bull flag
- Price was at an inflection point previously with the futures closing at but not below the USD 18,200, meaning we did not see follow through from the daily rejection candle from the 26/05. Bid support on the open yesterday meant that we could be looking at potential bull flag, suggesting resistance levels were becoming vulnerable. The Elliott wave shape was not really making sense, as there is lack of clarity in the corrective cycle; however, if the flag came into play on a break above USD 18,750, we would be leaning to the buy side.
- The futures traded to a high of USD 18,925 before moving lower on the roll into the July contract. We are above all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 18,491 with the RSI at or below 52.5 would mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 17,522 will support a near-term bull argument, below this level the technical will re-enter bearish territory.
- Technical outlook: Potential bull flag
- The upside breakout coupled with the move above USD 18,780 suggests that the probability of the futures trading to a new low has started to decrease, warning we could be looking at a bullish flag. Market bulls should be cautious on a move below the USD 18,025 fractal support, as it will signal that the flag has failed, warning the USDE 17,522 Fibonacci support could be tested and broken. Bullish rice action yesterday means we are cautious on lower moves while above the USD 18,025 support.

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