



# SMX Intraday Morning Technical

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## Supramax July 26 Morning Technical Comment – 240 Min



	Support	Resistance	Current Price	Bull	Bear
S1	17,892	R1	18,275	Stochastic oversold	RSI below 50
S2	17,250	R2	18,720		
S3	16,440	R3	19,012		

### Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is above 50 (37)
- Stochastic is below 50
- Price is below the daily pivot 18,275
- Technical outlook Previously: Downside moves considered as countertrend
- The futures had entered a corrective phase previously with price testing the Fibonacci support zone; throwbacks that held at or above USD 18,781 would support an intraday buyer's argument, if broken, then the probability of price trading to a new high within this phase of the cycle would begin to decrease. The RSI moving average implied that we had light momentum weakness, while the RSI was near-neutral at 51. We noted that market longs should be cautious if the RSI closed and started to hold below the 40 level, or if price breached the USD 18,781 support, as both would signal weakening momentum.
- The futures broke the USD 18,781 support while the RSI closed and held below the 40 level, resulting in price selling lower. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 18,275 with the RSI at or above 42 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 19,408 will leave the futures vulnerable to further tests to the downside, above this level the probability of price trading to a new low will begin to decrease.
- Technical outlook: Caution on upside moves
- The downside move below the USD 18,781 support warns that the probability of price trading to a new high has started to decrease. This would suggest that we could be looking at an expanding flat correction (Wave B above the high of wave 5), if this is the case, then we have a potential downside target at USD 17,250. The RSI move below 30 signals momentum weakness, while we also see bearish momentum confirmation, implying caution on upside moves in the near-term.

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