FIS

SMX Intraday Morning Technical

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Supramax Aug 26 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	19,033	R1	19,349	19,225	RSI above 50	Stochastic overbought
S2	18,813	R2	19,682			
S3	18,604	R3	20,250			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (62)
- Stochastic is overbought
- Price is above the daily pivot 19,033
- Technical outlook Previously: Buyside pressure is increasing
- We noted yesterday that the upside moves still had the potential to be a double 3 patterns, which would be countertrend. However, we had bullish momentum confirmation with the RSI at 61; if the RSI holds above the 60 level, then the USD 19,349 resistance was likely to be tested and broken. If it was, then the probability of price trading toa new low will start to decrease, supporting our analysis that the previous move lower was part of a flat correction.
- The futures continue to see light bid support with price above all key moving average, the RSI is above 50 while price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 19,033 with the RSI at or below 52 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 19,349 will warn that there could be a larger corrective cycle in play.
- Technical outlook: Buyside pressure is increasing
- We continue to see bullish momentum confirmation as both price and the RSI are making new highs. We also note that the RSI is holding above the 60 level, warning the USD 19,349 resistance could be tested and broken. If it is, then the probability of price trading to a new low would begin to decrease. A rejection of the USD 19,349 level, or a close and hold below the trend support line at USD 18,313 would suggest market longs should act with caution.