FIS

SMX Intraday Morning Technical

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

Supramax Aug 26 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	18,950	R1	19,150	18,950	RSI above 50	Stochastic overbought
S2	18,604	R2	19,349			
S3	18,412	R3	19,682			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8-21 period EMA’s
- RSI is above 50 (52)
- Stochastic is overbought
- Price is below the daily pivot 19,150
- Technical outlook Previously: Buyside pressure is increasing
- We continued to see bullish momentum confirmation yesterday, as both price and the RSI are making new highs. We also noted that the RSI is holding above the 60 level, warning the USD 19,349 resistance could be tested and broken. If it was, 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.
- The futures traded to a high of USD 19,325 before selling lower, meaning price is potentially in the early stages of rejecting the USD 19,349 resistance. Price is between the 8-21 period EMA’s supported by the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 19,150 with the RSI at or above 58.5 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 19,349 will warn that there could be a larger corrective cycle in play.
- Technical outlook: Inflection point
- Both price and the RSI are on their trend support line, meaning we are at an inflection point. The RSI is back below the 60 line, implying momentum is weakening, we now have positive velocity but negative acceleration. A close and hold below the trend support at USD 18,950 would signal an increasing in sell side pressure, warning the USD 18,152 support could be tested. If the USD 18,152 level holds, then it would suggest that there is an underlying indicate that there is an the market. Conversely, if the USD 18,152 level is breached, having rejected the USD 19,349 resistance, it would suggest that the Elliott wave correction is becoming more complex.