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	19,066	R1	19,349	19,100	RSI above 50	
S2	18,958	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 (56)
- Stochastic is at 50
- Price is above the daily pivot 18,958
- Technical outlook Previously: Inflection point
- Both price and the RSI were on their trend support line yesterday, meaning we were at an inflection point. The RSI was back below the 60 line, implying momentum was 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 was an underlying support in the market. Conversely, if the USD 18,152 level was breached, having rejected the USD 19,349 resistance, it would suggest that the Elliott wave correction was becoming more complex.
- The futures remain supported with price trading on the trend support line at USD 19,066. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 18,958 with the RSI at or below 53.5 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: Inflection point
- The futures remain at an inflection point on the trend support line at USD 19,066. The RSI remains below 60 but is just above its trend support, meaning momentum is also at an inflection point. On the daily chart we have a rejection candle at the USD 19,349 resistance with the RSI failing to move above the 60 level, warning of momentum weakness, this suggests caution on higher moves; however, we have a dominant bull candle still in play on the daily timeframe. For downside continuation we will need to see a daily close below USD 18,750, as this is the low of the dominant candle. We are cautious on higher movers but need to see more downside to confirm sell side pressure is weakening.