FIS

SMX Intraday Morning Technical

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Supramax Aug 26 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	18,774	R1	19,066	18,800		RSI Below 50
S2	18,550	R2	19,349			
S3	18,393	R3	19,435			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (44)
- Stochastic is above 50
- Price is below the daily pivot 19,066
- Technical outlook Previously: Sell side pressure increasing
- We noted yesterday that the breach in the USD 19,349 level meant that the probability of price trading to a new low had started to decrease; the pullback had been deeper than expected, taking the technical into neutral territory. However, the RSI had failed to hold above the 60 level, with price in the process of breaking trend support at USD 19,288. A close and hold below the support line would signal that sell side pressure was on the increase; if we did, it would leave the Fibonacci support zone vulnerable.
- The futures remain below trend support with price trading in the Fibonacci support zone. Price is below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 19,066 with the RSI at or above 56.5 would mean price and momentum are aligned to the buyside. Downside moves that hold at or above USD 18,246 will support a bull argument, below this level the technical will re-enter bearish territory.
- Technical outlook: Sell side pressure increasing
- The break in trend support has been replicated by the RSI, both had made new lows, meaning we have bearish momentum confirmation. However, having breached the USD 19,349 resistance previously, price will now need to break the USD 18,246 support with the RSI below 40; if we do, it will signal that the technical has re-entered bearish territory, warning the USD 17,600 fractal low could come under pressure.