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	18,550	R1	19,349	18,725	Stochastic oversold	RSI Below 50
S2	18,522	R2	19,682			
S3	18,246	R3	20,250			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8-21 period EMA's
- RSI is below 50 (43)
- Stochastic is oversold
- Price is on/above the daily pivot 18,700
- Technical outlook Previously: Consolidation phase
- We noted yesterday that the futures had failed to capitalize on the failed swing high, the RSI continued to hold above 40 having breached the USD 19,349 resistance previously. We noted that we still needed to see more downside from the technical to convince the move is bearish, a move below USD 18,246 with the RSI is needed to avoid the futures finding further bid support.
- Price had a small break to the downside; however, we are seeing light bid support on the open this morning. We remain below the 8-21 period EMA's with the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 18,700 with the RSI at or above 48 would mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned to the sell side. 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: Momentum support
- The downside move yesterday has resulted the RSI holding the 40 level, implying there is still underlying support in the market. Due to the futures breaching the USD 19,349 resistance recently, we need to see the RSI move below the 40 level with price trading below the USD 18,246; if we do, then the futures will re-enter bearish territory. Right now, the momentum support and the breach in the USD 19,349 resistance means we still need to see further downside in this technical for support to become vulnerable.