FIS

SMX Intraday Morning Technical

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Supramax Sep 26 Morning Technical Comment – 240 Min

Support		Resistance		Current Price	Bull	Bear
S1	19,766	R1	20,498	19,850	Stochastic oversold	RSI Below 50
S2	19,500	R2	20,812			
S3	19,337	R3	21,125			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is below 50 (48)
- Stochastic is oversold
- Price is above the daily pivot 19,766
- Technical outlook Previously: Neutral
- We noted yesterday that the futures were sitting in a rising channel while in a corrective phase. We had a positive reversal pattern in play with the RSI; however, if we trade below USD 19,500 then the pattern would have failed, signaling momentum weakness. Countering a bearish breakout, USD 19,500 is a 100% Fibonacci projection level at USD 19,500, while we had the 50% retracement (support) at USD 19,337. Conflicting signals on a move below USD 19,500 meant we currently had a neutral bias.
- The futures sold to a low of USD 19,650 before finding light bid support. We are between 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 19,766 with the RSI at or above 55.5 would mean price and momentum are aligned to the buyside; likewise, a close below this level would mean it is aligned to the sell side. Downside moves that hold at or above USD 18,925 will support a bull argument, below this level the technical would re-enter bearish territory.
- Technical outlook: on support
- The positive reversal pattern remains in play above USD 19,500, while we have a Fibonacci support zone between USD 19,500—USD 19,337. technically, while the reversal pattern is in play, resistance levels should be considered as vulnerbale. Below USD 19,500 would indicate bearish momentum confirmation; however, for downisde continuation the intraday futures will need to close and hold below the USD 19,337 support.