FIS SMX Intraday Morning Technical

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Supramax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	22,133	R1	22,500	22,300	RSI above 50	
S2	21,820	R2	22,666			
S3	21,400	R3	23,125			

Source Bloomberg

Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is above 50 (64)
- Stochastic is below 50
- Price is above the daily pivot 22,133
- Technical outlook Previously: downside moves considered as countertrend
- Elliott wave analysis continued to suggest that downside moves should be considered as countertrend yesterday. Throwbacks below USD 22,025 would indicate that intraday sell-side pressure is increasing, warning the USD 21,820—USD 21,400 support levels could come under pressure in the near-term, USD 20,765 was the key support to follow. Throwbacks that hold above this level will support our bullish wave analysis; however, if breached, then the probability of the futures trading at a new high will begin to decrease, taking the cycle into neutral territory.
- The futures traded at a low of USD 21,775 before finding bid support on the open this morning. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above USD 22,133 with the RSI at or above 69.5 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 20,765 would support a bull argument, below this level the technical would have a neutral bias.
- Technical outlook: downside moves considered as countertrend
- Upside moves that trade above the USD 22,500 level would signal that buyside pressure is increasing, while a move above USD 22,666 would suggest that the probability of price trading to a new low has started to decrease. Conversely, if we reject the USD 22,666 resistance it will warn that the corrective phase has the potential to become more complex. The RSI is holding above 60, if price and momentum become aligned to the buyside, it will further support a buyers argument. As highlighted previously, our Elliott wave analysis suggests that downside moves should be considered as countertrend.

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