FIS SMX Intraday Morning Technical

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Supramax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	21,450	R1	22,208	21,625		RSI below 50
S2	20,765	R2	22,615			
S3	20,315	R3	23,125			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is below the daily pivot 22,205
- Technical outlook Previously: downside moves considered as countertrend
- Unchanged on the technical yrsterday, the futures had broken near-term fractal resistance but remained below key resistance. Above USD 22,666 would imply that the probability of the futures trading at a new low had started to decrease, warning resistance levels could be tested. Conversely, if rejected, the corrective phase had the potential to become more complex. Market buyers should act with caution if the RSI starts to close and hold below 60, as it would signal momentum is weakening. As highlighted previously, our Elliott wave analysis suggested that down-side moves should be considered as countertrend.
- The RSI has moved below the 60 level resulting in price selling lower. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 22,205 with the RSI at or above 64 would mean price and momentum are aligned to the buyside. Down-side 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
- Having rejected the USD 22,615 resistance, weakening momentum has resulted in price selling lower this morning. Key support is at USD 20,765, throwbacks that hold at or above this level will support a bull argument, if breached, then the probability of the futures trading at a new high will begin to decrease. We mark USD 21,450 as an area of interest, as this the 100% Fibonacci projection of the initial move lower, meaning it has the potential to attract buying interest around this area. However, a close and hold below USD 21,450 will leave the USD 2,765 support vul-nerable.

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