FIS SMX Intraday Morning Technical

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Supramax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	20,765	R1	21,716	21,350	Stochastic oversold	RSI below 50
S2	20,315	R2	22,208			
S3	19,550	R3	22,615			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (41)
- Stochastic is oversold
- Price is below the daily pivot 21,716
- Technical outlook Previously: downside moves considered as countertrend
- Having rejected the USD 22,615 resistance yesterday, weakening momentum had resulted in price selling lower in the morning. Key support was at USD 20,765, throwbacks that held at or above this level would support a bull argument, if breached, then the probability of the futures trading at a new high would begin to decrease. We marked USD 21,450 as an area of interest, as this the 100% Fibonacci projection of the initial move lower, meaning it had the potential to attract buying interest around this area. However, a close and hold below USD 21,450 would leave the USD 20,765 support vulnerable.
- The futures are trading below the USD 21,450 level. We are below all key moving averages with the RSI is below 50, intraday price and moment are aligned to the sell side.
- A close on the 4-hour candle above USD 21,176 with the RSI at or above 59.5 would mean price and momentum are aligned to the buyside. 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
- The futures are trading below USD 21,450, a close and hold below this level would warn that the USD 20,765 support could be tested; if breached, then the probability of price trading at a new high would start to decrease. The RSI is now testing 40, if we hold, it will signal momentum support, warning buyside pressure could increase. Conversely, a sustained move below 40 is likely to result in further deterioration in price.

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