FIS SMX Intraday Morning Technical

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Supramax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	21,575	R1	22,317	21,825	RSI above 50	Stochastic overbought
S2	21,283	R2	22,616			
S3	20,765	R3	23,125			

Source Bloomberg

Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is above 50 (58)
- Stochastic is overbought
- Price is above the daily pivot 21,575
- Technical outlook Previously: Polarity support
- We noted in the weekly report previously that the resistance zone had the potential to act as support, meaning we became cautious on lower moves. The support zone was holding, meaning the technical had a change in polarity forming. If we held above the support zone (USD 20,625—USD 20,250) it would have bullish implications, warning resistance levels could be tested. Market buyers should be cautious on a close and hold below USD 20,250, as this would signal an increase in sell side pressure. The RSI had positive velocity and positive acceleration, if we clan close and hold above the 60 level having already held 40, it would support a bull argument.
- The futures have move higher off the support zone, price is above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 21,575 with the RSI at or below 42.5 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 22,317 would leave the futures vulnerable to further tests to the downside, above this level the futures would re-enter bullish territory
- Technical outlook: Buyside pressure increasing
- The polarity support has formed, signaling an increase in buyside pressure, warning the USD 22,317 resistance could be tested. This is a key level on the technical, if broken, then price will re-enter bullish territory, implying the bullish Elliott wave cycle remains intact. Market buyers should act with caution if the RSI rejects the 60 level, as it would imply momentum remains weak; conversely, a close and hold above 60 would support a buyers argument, indicating we should see further buyside support.

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