FIS SMX Intraday Morning Technical

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Supramax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	21,775	R1	22,300	21,875	RSI above 50	Stochastic overbought
S2	21,330	R2	22,606			
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 21,775
- Technical outlook Previously: Buyside pressure increasing
- We noted on Friday that a polarity support had formed, signaling an increase in buyside pressure, warning the USD 22,317 (correction, USD 22,300) resistance could be tested. This was a key level on the technical, if broken, then price would re-enter bullish territory, implying the bullish Elliott wave cycle remained intact. Market buyers should act with caution if the RSI rejected the 60 level, as it would imply momentum remained weak; conversely, a close and hold above 60 would support a buyers argument, indicating we should see further buyside support.
- The futures remain supported but have seen little movement since Friday morning. We are 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 21,775 with the RSI at or below 48 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 22,300 would leave the futures vulnerable to further tests to the downside, above this level the futures would re-enter bullish territory
- Technical outlook: Supported
- Unchanged on the technical this morning, the futures have move higher on the polarity support, signaling an increase in buyside pressure; however, to re-enter bullish territory we will need to trade above the USD 22,300 resistance. The RSI is at an inflection point, for upside continuation it is going to need to reclaim and hold the 60 level, failure to do so will leave support levels vulnerable. Price remains supported but we need to see further upside, supported by momentum, if the USD 22,300 resistance is to be broken.

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