FIS SMX Intraday Morning Technical

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Supramax Oct 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	20,315	R1	21,050	20,750	Stochastic oversold	RSI below 50
S2	20,250	R2	22,075			
S3	20,088	R3	22,300			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (34)
- Stochastic is oversold
- Price is below the daily pivot 21,050
- Technical outlook Previously: Consolidation breakout?
- We noted yesterday that the futures had produced an intraday close below the consolidation support at USD 21,200; however, it was a minor breach and needed further confirmation. If price moved lower, and the RSI moved below 40, then the USD 20,765—USD 20,250 polarity support could come under pressure. Conversely, if we closed back above the USD 21,200 level, then price would remain in the consolidation zone, indicating neutrality. Small signs of weakness, more downside with momentum below 40 is needed.
- The futures have sold lower on the consolidation breakout, we are below the 8-21 period EMA's 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 21,050 with the RSI at or above 45.5 would mean price and momentum are aligned to the buyside. 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: on polarity support
- The futures are now testing the polarity support with the RSI approaching historical RSI support, meaning we have a cautious approach to lower moves at these levels. For downside continuation the futures are going to need to produce a close and hold below the USD 20,250 level; however, this will put the RSI firmly in its support zone. Technically we are not seeing buy signals, but price is a high risk sell at this point.

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