FIS SMX Intraday Morning Technical

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Supramax Nov 26 Morning Technical Comment – 240 Min



Support		Resistance		Current Price	Bull	Bear
S1	20,043	R1	20,296	20,050		Stochastic overbought
S2	19,525	R2	20,508			
S3	19,113	R3	21,050			

Source Bloomberg

Synopsis - Intraday

- Price is below the 8-21 period EMA's
- RSI is below 50 (37)
- Stochastic is above 50
- Price is below the daily pivot 20,508
- Technical outlook Previously: Momentum rejection
- The RSI rejected the 60 level previously, resulting in price selling back below the 55-period EMA at USD 20,854, warning the 200-period MA at USD 20,274 could be tested. The move below USD 20,625 did signal a weakening technical; however, the RSI was still above 40 at that point; a move below 40 would indicate momentum weakness. Price was the lead indicator, making the 200-period MA at USD 20,274 the key level to follow, a close and hold below the average, supported by the RSI below 40 would leave support levels vulnerable. Countering this, market sellers should act with caution in the average was defended.
- The futures are trading below the intraday 200-period MA at USD 20,296. 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 20,508 with the RSI at or above 51 would mean price and momentum are aligned to the buyside. Upside moves that fail at or below USD 21,208 would leave the futures vulnerable to further tests to the downside, above this level the technical would have a neutral bias.
- Technical outlook: Sell side pressure increasing
- The futures are below the 200-period MA with the RSI below 40, warning sell side pressure is starting to increase; however, confirmation will come from a close and hold below the average. If we do get a bearish close while the RSI is below 40, then it would leave the USD 19,525 resistance vulnerable. As highlighted previously, market sellers should act with caution if price closes back above the average, as it would warn that buyers were supporting the market. The technical condition is weakening, we now need a confirmation close and hold below the average.

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