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	20,258	20,075	Stochastic oversold	Stochastic overbought
S2	19,525	R2	20,337			
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 oversold
- Price is below the daily pivot 20,258
- Technical outlook Previously: Sell side pressure increasing
- The futures were below the 200-period MA with the RSI below 40 yesterday, warning sell side pressure was starting to increase; however, confirmation would come from a close and hold below the average. If we did get a bearish close while the RSI was below 40, then it would leave the USD 19,525 support vulnerable. As highlighted previously, market sellers should act with caution if price closed 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.
- The futures are below the 200-period MA with the RSI below 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above USD 20,258 with the RSI at or above 49.5 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 needs confirmation
- The futures are below the 200-period MA at USD 2,337; however, having initially closed below it, we have since seen a retest of the average that has failed to hold. The current candle that has most recently rejected the average is still open, while the RSI at 39.2 is yet to confirm the weakening momentum, meaning we still need to see further downside alongside a bearish close to confirm that sell side pressure is increasing. Technically, we are at an inflection point. Market sellers should act with caution if price closed back above the average, as it would warn that buyers were supporting the market.

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