

Supramax Nov 26 Morning Technical Comment – 240 min



	Support	Resistance	Current price	Bull	Bear
S1	20,025	R1	20,683	RSI above 50	
S2	19,143	R2	21,150		
S3	18,625	R3	21,782		

• Synopsis- Intraday

- Price is above the 8-21 period EMA's
- RSI above 50 (56)
- Stochastic is above 50
- Price is above the daily pivot level (USD 20,025)
- Intraday Technical Outlook Previously: Caution on downside moves
- We noted previously that we lacked a 5-wave pattern lower; however, around Thursday lunchtime the futures traded at a new low, before moving higher post index. The move down to a low of USD 19,175 had completed a lower timeframe 5-wave sequence, this had been followed by a move above the USD 19,800 fractal resistance, warning buyside pressure was starting to increase. With the divergence in play, the fractal break, and the 5-wave sequence lower, we were cautious on downside moves.
- The futures have continued to move higher with price now above the 8-21 period EMA's supported by the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 20,025 with the RSI at or below 39 would mean price and momentum are aligned to the sell side. Upside moves that fail at or below USD 21,782 would leave price vulnerable to further tests to the downside, above this level the longer-term technical becomes neutral.
- Technical outlook: Caution on downside moves
- The futures remain supported having broken fractal resistance on the positive divergence and 5-wave pattern lower, meaning we remain cautious on downside moves at this point. We are trading on the intraday 200-period MA at USD 20,393, meaning we are at an inflection point. A close and hold above the average will warn that the daily fractal resistance at USD 21,050 could be tested; conversely, caution is warranted if the 200-period MA is rejected, as it would suggest market sellers are defending the average.