

FIS Turkish Scrap 80:20 Technical Report

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Turkish Scrap Jan 24



Support	Resistance	Current Price	Bull	Bear
S1	R1	423	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is between the 8-21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Price is below the weekly pivot point (USD 426)
- Technically bullish on the last report, the new high in the futures was not being replicated by the RSI, creating a negative divergence, not a sell signal, it warned that buyside momentum could be slowing down in the near-term. However, intraday Elliott wave analysis suggested that downside moves had the potential to be countertrend, making USD 370 the key support to follow. If broken, the pullback will be considered as deep, meaning the probability of the futures trading back to a new high would start to decrease. The MA on the RSI did suggest momentum was supported, implying that Fibonacci support levels should in theory hold if tested. We traded to a high of USD 410 before correcting to USD 395, this has been followed by a move higher to USD 433. The futures are back in a corrective phase with price now between the 8-21 period EMA's, the RSI remains above 50.
- Downside moves that hold at or above USD 407 will support a bull argument, below this level the technical will have a neutral bias. Only below USD 395 is the technical bearish.
- Technically bullish but in a corrective phase, the daily RSI has made a new high, implying momentum is supported, but the MA on the RSI is telling us that the recent pullback means momentum is turning neutral. The intraday RSI however was in divergence at USD 433 (hence the correction) and is suggesting caution on upside moves from here. If we trade below the USD 407 level, then the probability of the futures trading to a new high will start to decrease. If we test and hold the USD 407 level than we could see another test to the upside, but the intraday divergence needs to be monitored as any move higher could struggle to hold.

Source Bloomberg

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