



European Naphtha Technical

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Naphtha Rolling Front Month June



	Support	Resistance	Current Price	Bull	Bear
S1	652.59	R1	667.36	Stochastic oversold	RSI below 50
S2	645.82	R2			
S3	642.35	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8-21 period EMA's
- RSI is below 50 (46)
- Stochastic is oversold
- Price is above the weekly pivot USD 663.11
- Technically bullish based on price due to the move above the USD 666.34 fractal high, near-term price action is also bullish as the futures closed on Friday above this weeks pivot level (USD 663.11)
- The futures are trading between the 8-21 period EMA's with the RSI still below 50.
- Upside moves that fail at or below USD 691.65 will leave price vulnerable to further tests to the downside, above this level the probability of the futures trading to a new low will start to decrease, warning the USD 712.27 fractal high could come under pressure.
- Technically bullish the MA on the RSI is implying that momentum remains weak (due to the downward slope), but the RSI is trading above its MA and the weekly pivot level, indicating we are starting to see momentum support. However, we need to see the 8-period EMA cross above the 21-period EMA to confirm the trend is transitioning to the buyside. A close below USD 663.11 will imply that sell side pressure is increasing, warning that the USD 650.65 fractal low could be tested and broken.
- Bullish based on price, there are warning signs that the trend could be turning to the buyside, based on the RSI crossing above its average and the fractal break. However, we still need to see further upside to confirm this move is not counter-trend, as the slope of the MA on the RSI and the EMA's continue to warn that momentum is weak at this point. A cautious bull.

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