

# FIS Turkish Scrap 80:20 Technical Report

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## Turkish Scrap October 24 (Rolling 3 month)



	Support	Resistance	Current Price	Bull	Bear
S1	373	R1	379	RSI above 50	
S2	369	R2			
S3	365	R3			

### Synopsis - Intraday

- Price is above the 8-21 period EMA's
- RSI is below 50 (58)
- Stochastic is above 50
- Price is above the weekly pivot point (USD 368)
- The futures are seeing a strong move higher in recent weeks with price making higher highs and higher lows. However, this upside move remains within the last dominant bear trend the started on the 15/07 at USD 391, meaning the longer term technical is still bearish; however, we are trading on key resistance. Price is above the 8-21 period EMA's supported by the RSI above 50.
- Upside moves that fail at or below USD 379 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, we are moving higher on the back of a bullish price action. The MA on the RSI is indicating momentum is supported, but our lower timeframe Elliott wave cycle is in divergence, implying caution on upside moves. We have a couple of conflicting variables on this chart. Above USD 379, the probability of the futures trading to a new low will start to decrease; However, our lower timeframe wave analysis had a potential upside target at USD 377, a level we have just surpassed. We are also approaching a resistance zone on the market profile chart (USD 383—USD 384), as this as the most heavily traded area in the last 6 months, whilst faster moving momentum indicators are now overbought. We are cautious on upside moves at these levels in the near-term, as the technical is warning that we are vulnerable to a move lower. If we trade above USD 379 before correcting, then USD 363 will be a key support to follow, as downside moves that hold above this level will warn that is a larger, bullish, Elliott wave cycle in play.
- The technical suggests caution on upside moves at this point. However, obviously there are external factors from China relating to the Stimulus that could well override this. Purely on the technical, it is not a buy at this level.

Source Bloomberg