

FIS U.S HRC Technical Report

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Support	Resistance	Current Price	Bull	Bear
S1	R1	752	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (55)
- Stochastic is above 50
- Price is above the weekly pivot point USD 744
- We noted in the previous report that we had broken key support and resistance, meaning price action was neutral. The MA on the RSI implied we have light momentum support; however, the RSI was below its average whilst the EMA's were flat, supporting a neutral environment. The downside Elliott wave cycle looked to have completed, but price had entered a consolidation phase between USD 652 – USD 770 (highlighted on the chart). A close above that held above the USD 770 level would support a bull argument, failure to do so would mean we remained in consolidation. Downside moves that closed below USD 652 would suggest that we are seeing some form of Elliott wave extension; however, the futures had the potential to create further negative divergence with the RSI below this level. If we did, then it will warn we could see a momentum slowdown, indicating the futures would not be considered a technical sell. Technically price action was neutral.
- The futures have traded to a high of USD 799 but failed to close above the USD 770 level, meaning we remain in the consolidation zone. We are above the 8-21 period EMA's with the RSI above 50.
- Downside moves that hold at or above USD 726 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI indicates that we have light momentum support; however, the upside move has created a negative divergence with the RSI. Not a sell signal, it is a warning that we have the potential to see a momentum slowdown, which needs to be monitored. Due to the divergence in play the futures are not considered a technical buy at these levels, as the USD 726 support is starting to look vulnerable. If broken, then the probability of the futures trading to a new high will start to decrease. Note, corrective moves lower that hold at or above USD 701 will warn that there is potentially a larger, higher timeframe bullish Elliott wave cycle coming into play.

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