

## North European Hot-Rolled Coil Steel - Generic 2nd (April) Daily



Support	Resistance	Current Price	Bull	Bear
S1	R1	650	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 50—60 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Weekly Pivot level— Previous weeks Hi+Lo+Close/3 (EUR 635)
- The futures are trading above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above EUR 592 will support a longer-term bull argument, below this level the Elliott wave cycle will have a neutral bias, meaning the probability of the futures trading to a new high will start to decrease.
- Technically bullish, upside move above EUR 657 will create a negative divergence on the intraday technical. Not a sell signal, it is a warning that we could see a momentum slowdown, suggesting caution on upside breakouts. A close on the daily candle below EUR 641 will warn that buy-side pressure is decreasing, whilst a close below EUR 635 (current weekly pivot level) will suggest sell-side pressure increasing. Below EUR 617 the technical will be bearish based on price, warning the USD 592 Fibonacci support will start to look vulnerable. Corrective moves lower that hold at or above this level will warn that there is potentially a larger, bullish cycle coming into play. We are bullish, but have a note of caution on upside breakouts above USD 657 as price will be divergent with momentum on the lower timeframe.