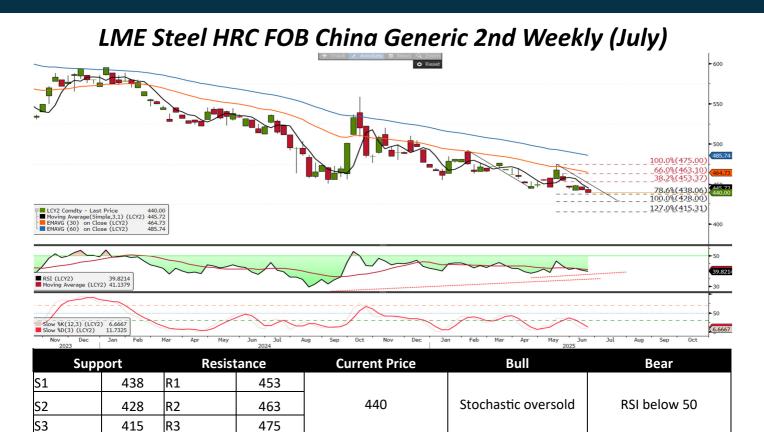
EMISSIONS | OIL | <mark>FERROUS</mark> | FREIGHT | AGRI | METALS | ENERGY | PHYSICAL FREIGHT



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Synopsis - Intraday

Source Bloomberg

- Price is below the 30—60 period EMA's
- RSI is below 50 (39)
- Stochastic is oversold
- Weekly Pivot level (USD 444)
- Technically bearish on the last report, the futures had rejected the USD 476 resistance last week, whilst the open on the Monday had been below the middle of the previous weeks range (USD 466), warning of technical weakness. We noted that if we closed the week below USD 457 it would indicate that sell side pressure was increasing, warning the USD 445 fractal low could come under pressure. We were seeing signs of technical weakness based on the open below the USD 466 level, warning we could move lower; however, we continue to highlight the positive divergence in play, meaning we were cautious on downside breakouts below USD 445. An upside rejection into a divergence meant that we were more neutral.
- The futures closed below the USD 457 level, resulting in price trading to a low of USD 440. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below USD 463 will leave the futures vulnerable to further test to the downside, above the level the technical will have a neutral bias.
- Technically bearish, the new low means that we now have two positive divergences in play. Although they are not buy signals, they are warning that we could see a momentum slowdown, which need to be monitored. Due to the divergences, the futures are not considered a 'technical' sell at these levels; however, we are not seeing buy signals at this point. If we see a weekly close above USD 445, it will warn that buyside pressure is increasing. Neutral.

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