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FIS

SMX Intraday Morning Technical

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Support		Resistance		Current Price	Bull	Bear
S1	16,258	R1	16,712			
S2	16,126	R2	17,022	16,300	RSI above 50	Stochastic overbought
S3	15,799	R3	17,463			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8-21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Price is above the daily pivot USD 16,258
- Technically bullish yesterday, the move above the USD 15,975 resistance with price and momentum aligned to the buyside indicated that buyside pressure was increasing, warning the USD 16,300 USD 16,350 resistance zone was vulnerable. We noted that if broken, we would target the USD 17,200 fractal high. As highlighted previously, we remained cautious on downside moves, as lower timeframe Elliott wave analysis suggested that they should in theory be countertrend.
- The futures traded to a high of USD 16,575 before seeing a small pullback on the open this morning. We remain above all key moving averages with the RSI above 50, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below USD 16,258 with the RSI at or below 55 will mean price and momentum are aligned to the sell side. Downside moves that hold at or above USD 15,799 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that we have light momentum support. Countering this, the upside move above USD 16,350 means we have a negative divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, making USD 15,799 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. Fibonacci projection levels suggest that we have a potential upside target for this phase of the cycle at USD 17,022, whilst we have fractal resistance at USD 17,200. The divergence means we now have a note of caution on upside moves. Note: now we have broken fractal resistance, downside moves should not automatically expected to be countertrend, as we are on a lower timeframe Ellott wave 5.

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