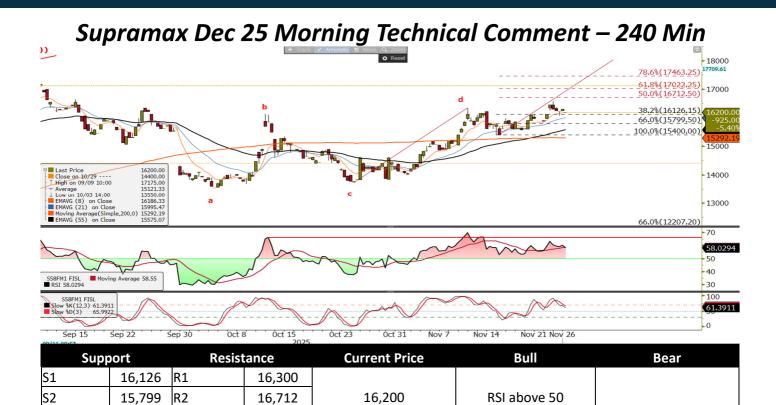
<u>EMISSIONS | OIL | FE</u>RROUS | <mark>FREIGHT</mark> | AGRI | METALS | ENERGY | PHYSICAL FREIGHT

FIS

SMX Intraday Morning Technical

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Synopsis - Intraday

Source Bloomberg

Price is above the 8-21 period EMA's

15,400

17,022

RSI is above 50 (58)

S3

- Stochastic is above 50
- Price is below the daily pivot USD 16,258
- Technically bullish yesterday, the MA on the RSI implied that we had light momentum support. Countering this, the upside move above USD 16,350 meant that we had a negative divergence with the RSI. Not a sell signal, it warned 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 would start to decrease. Fibonacci projection levels suggest that we had a potential upside target for this phase of the cycle at USD 17,022, whilst we had fractal resistance at USD 17,200. The divergence meant that we have a note of caution on upside moves. We noted that as we had broken fractal resistance, downside moves should not automatically be expected to be countertrend, as we were on a lower timeframe Ellott wave 5.
- The futures traded to a low of USD 16,075 before finding light bid support, we are above all key moving averages with the RSI above 50, intraday price and momentum are now conflicting.
- A close on the 4-hour candle below USD 16,300 with the RSI at or below 56.5 will mean price and momentum are aligned to the sell side; likewise, a close above this level with the RSI at or above 60.5 will mean it is aligned to the buyside. 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.
- Unchanged on the technical today, we remain bullish with the MA on the RSI implying that we have light momentum support. However, we remain in divergence with the RSI. Not a sell signal, it warns 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. Downside moves should not automatically expected to be countertrend, as we are on a lower timeframe Ellott wave 5.

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