

FIS Turkish Scrap 80:20 Technical Report

info@freightinvestor.com | www.freightinvestorservices.com | (+44) 207 090 1120

Turkish Scrap July 26



| Support | Resistance | Current Price | Bull | Bear |
|---------|------------|---------------|------|--------------|
| S1 | R1 | 400 | | RSI below 50 |
| S2 | R2 | | | |
| S3 | R3 | | | |

Synopsis - Intraday

- Price is below the 50 period SMA
- RSI is below 50 (38)
- Stochastic is below 50
- Price is below the weekly pivot point (USD 416)
- Technical outlook previously: broader bullish trend, caution on higher moves in near-term
- We noted previously that the futures had sold lower on a negative divergence with the RSI due to the lower timeframe Elliott wave cycle completing. However, the broader trend (higher timeframe cycle) remained bullish above USD 364 and neutral below. Focus was on the corrective phase, which in theory should consist of 3-waves, or multiples of 3-waves. Based on the single wave lower (wave A), the next wave higher looked like it would be a wave B (countertrend) that should remain below the USD 413 level, meaning we are cautious on upside moves. However, we were seeing a potential bullish Harami pattern forming, warning we could potentially be readying for a move into the wave B.
- The futures witnessed very light bid support before trading back to a low of USD 395. Price is below the 50-period SMA with the RSI below 50.
- Downside moves that hold at or above USD 364 will support a bull argument, below this level the technical will have a neutral bias
- Technical outlook: Caution on upside moves
- Technically we are unchanged at this point. Having consolidated for two weeks price has seen a small test to the downside; however, we remain above the USD 392 fractal low. In theory, upside moves should still be considered as countertrend, providing the USD 413 Fibonacci resistance is not breached. If it is, then the probability of price trading to a new low would begin to decrease. Technically we look to be in a corrective phase still; if the RSI reclaims (and holds) the 40 level it will signal that buyside pressure is on the increase, warning the 50-period SMA at USD 409 could be tested.

Source Bloomberg