

FIS Turkish Scrap 80:20 Technical Report

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

Turkish Scrap Sep 26



Support	Resistance	Current Price	Bull	Bear
S1	R1	375.5	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the 50 period SMA
- RSI is below 50 (28)
- Stochastic is oversold
- Price is below the weekly pivot point (USD 378)
- Technical outlook previously: Caution on upside moves
- Technically we were unchanged on the last report. Having consolidated for two weeks price had seen a small test to the downside; however, we remained above the USD 392 fractal low. We noted that in theory, upside moves should still be considered as countertrend, providing the USD 413 Fibonacci resistance was 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 reclaimed (and held) the 40 level it would signal that buy-side pressure is on the increase, warning the 50-period SMA at USD 409 could be tested.
- The futures remained in a corrective phase with price selling down to the 100% Fibonacci projection level at USD 371. We remain below all key moving averages supported by 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. Likewise, upside moves that fail at or below the USD 406 level would warn that the corrective phase has the potential to become more complex.
- Technical outlook: caution on downside moves
- We now have a 3-wave pattern lower labelled A-B-C; the C wave consists of 5-wave with price finding light bid support due to a positive RSI divergence. Technically we are cautious on lower moves, as the divergence alongside the A-B-C pattern warns the corrective move could soon exhaust. Market buyers will need to see a close and hold above the 200-period MA at USD 377; if we do, it will signal that buy-side pressure is starting to increase.

Source Bloomberg