*Ethereum is facing its $4,400-resistance with bullish on-chain signals, overheated leverage, and liquidity clusters ready to spark big moves.*

[Ethereum [ETH]](https://ambcrypto.com/predictions/ethereum-price-prediction/) extended its rally from the $2,400-range to test the crucial $4,400-resistance on the charts. In fact, this is a level that has triggered reversals in the past for ETH.

Valued at $4,206 at press time, it can be argued that the market is at a decisive inflection point.

Importantly though, long-term on-chain [signals](https://cryptoquant.com/insights/quicktake/68977fae86d6ad2493d0f5c5-Ethereum-Diverging-Exchange-Flows-and-What-They-Mean-for-Price) have been leaning bullish lately.  For example – The all-exchange Exchange Supply Ratio (ESR) has been steadily falling since 2022, reflecting reduced sell-side liquidity and stronger accumulation trends.

On the contrary, Binance-specific data painted a shorter-term warning. Its ESR has been climbing since early 2025, coupled with notable inflows – Conditions often tied to selling readiness.

Such a divergence between macro strength and tactical caution might hint at potential volatility ahead.

Is Ethereum’s chart hinting at a breakout or an exhaustion point?

At the time of writing, the daily chart revealed that Ethereum was testing the $4,400 barrier, while maintaining support near $4,000.

The Relative Strength Index hovered around 71 – A sign that the market may be entering overbought territory. In fact, the Fibonacci extensions outlined $4,302 as the immediate upside and $4,886 as the next target if momentum holds.

And yet, elevated RSI readings meant profit-taking could be a real possibility. Hence, traders might need to be watchful for a few signs of exhaustion.

[A graph of stock market

AI-generated content may be incorrect.](https://ambcrypto.com/wp-content/uploads/2025/08/ETHUSD_2025-08-10_12-20-25.png)

Source: TradingView

Are Futures traders pushing leverage to dangerous extremes?

Futures volume data flagged “overheating” as leveraged positions piled up in recent sessions.

Now, while leverage can accelerate bullish moves, it can just as easily fuel sharp liquidations if sentiment flips itself.

Historically, overheated derivatives markets have triggered quick retracements, especially near heavy resistance levels. Hence, the question is – Can buyers keep control without sparking forced unwinds?

[A graph of a graph showing the growth of a bitcoin

AI-generated content may be incorrect.](https://ambcrypto.com/wp-content/uploads/2025/08/Ethereum-Futures-Volume-Bubble-Map-1.png)

Source: [CryptoQuant](https://cryptoquant.com/asset/eth/chart/market-indicator/futures-volume-bubble-map?window=DAY" \t "_blank)

Are whales pulling ETH off exchanges for good?

Netflow data highlighted outflows of $245.57 million on 10 August, adding to a recent pattern of sustained withdrawals from exchanges.

Such negative netflows typically reflect investors moving assets into self-custody, something that aligns with accumulation behavior and reduced near-term selling pressure.

However, the presence of positive Binance ESR readings suggested some traders are still moving coins towards centralized exchanges for potential selling.

The tug-of-war between accumulation and selling readiness can fuel uncertain short-term environment. This, despite the long-term structure remaining favorable for further gains.

[A graph with red and blue lines

AI-generated content may be incorrect.](https://ambcrypto.com/wp-content/uploads/2025/08/Screenshot-2025-08-10-122425.png)

[Source: CoinGlass](https://www.coinglass.com/currencies/ETH)

Will THESE liquidation zones dictate Ethereum’s next move?

The liquidation heatmap underlined dense clusters between $4,300 and $4,400 – levels that could act as price magnets in the immediate term.

A decisive breakout above these clusters could trigger a chain reaction of short liquidations, accelerating the rally towards higher Fibonacci targets.

Conversely, a failure here might invite heavy selling and a pullback towards the $4,000-support level. How ETH behaves around these liquidity pockets could dictate the next trend.

[A graph of a stock market

AI-generated content may be incorrect.](https://ambcrypto.com/wp-content/uploads/2025/08/Binance-ETH_USDT-Liquidation-Heatmap24-hour-2025-08-10_12_25_04.png)

Source: [CoinGlass](https://www.coinglass.com/pro/futures/LiquidationHeatMap" \t "_blank)

Will Ethereum break $4,400, despite overbought risks?

Ethereum’s structure and on-chain data appeared to favor a breakout above $4,400, despite overbought RSI conditions.

Sustained exchange outflows, a falling all-exchange ESR, and strong accumulation could outweigh the risks from rising Binance ESR and high leverage.

If bulls maintain their momentum, a rally towards $4,800 might be likely. This would reinforce the bullish trajectory, while limiting the impact of short-term cooling from overheated readings at press time.