



EUA Technical Report

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	Support	Resistance	Current Price	Bull	Bear
S1	84.75	R1	94.14	87.03	RSI below 50
S2	83.94	R2	95.03		
S3	81.71	R3	97.00		

Synopsis - Intraday

Source Bloomberg

- Price is below the 34—55 period EMA's
- RSI is below 50 (44)
- Stochastic is below 50
- Price is below the weekly the daily pivot USD 88.62
- Having failed to make a new high in February the futures have entered a corrective phase. The recent upside move failed to trade above the USD 95.03 resistance resulting in price moving lower today, the futures are currently below the EMA resistance band and the weekly pivot point with the RSI below 50, price remains within the rising channel.
- A close below that holds below the channel support (currently USD 86.15) will further weaken the technical. Intraday Elliott wave analysis would suggest that we have a potential downside target at USD 83.94 for this phase of the cycle. However, a move below USD 84.75 will create an intraday positive divergence with the RSI (Price making new lows but the RSI is now = Positive divergence), not a buy signal it does warn that we have the potential to see a momentum slowdown on a new low, this will need to be monitored. We also note that the 200-period MA on the daily chart is at USD 84.53, this is a benchmark average which has previously been respected, meaning you need to be aware of it, a close below that holds below the average, again will warn that the longer-term technical is weakening.
- Technically bearish with a near-term downside target at USD 83.94, the upside failure in February is warning that the longer-term technical is potentially turning to the downside (note: the upside failure was on a back of bearish divergence on the weekly chart). We also highlight that the 200-period MA is flat, warning that the longer-term trend is potentially in a transitioning phase to the downside. This would suggest that once we have completed this phase of the cycle, upside moves should be considered as countertrend.

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