



EUA Technical Report

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

EUA Dec 24



	Support	Resistance	Current Price	Bull	Bear
S1	65.47	R1	65.62	Stochastic oversold	RSI below 50
S2	64.73	R2			
S3	61.75	R3			

Synopsis - Intraday

Source Bloomberg

- Price is below the 34—55 period EMA's
- RSI is below 50 (32)
- Stochastic is oversold
- Price is below the weekly the daily pivot USD 77.40
- Having rejected the upside channel resistance on the 02/01/24 the futures have traded to new low, meaning price is back below the 34-55 period EMA's with the RSI below 50.
- Upside moves that fail at or below USD 76.09 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- The futures are making lower lows meaning the technical and the trend are bearish. Based on Fibonacci projection levels, we have near-term support at USD 65.47, with lower channel support at USD 64.73 (this level will decrease by a few cents each day as it is a declining trend line) with the potential to trade as low as USD 61.75 based on Elliott wave projection values. However, we have a positive divergence between the RSI and price, as the RSI is not making new lows. This is not a buy signal, but it is a warning that we could see a momentum slowdown and will need to be monitored. The weekly RSI is also testing the December support level, but the weekly price is trading below the 200-period EMA at USD 69.98. Market buyers will want to see the futures close above and hold above this level, as upside moves that reject it will warn that we have the potential for further downside within this trend.
- Price action is weak, but the divergences are warning that we could see a momentum slowdown as we approach the channel support, suggesting caution to fresh market sellers at these levels. If the divergence fails it will warn that support levels could be tested and broken. There are reasons to be cautious, but the break in the 200-period Weekly EMA is a concern.

The information provided in this communication is not intended for retail clients. It is general in nature only and does not constitute advice or an offer to sell, or the solicitation of an offer to purchase any swap or other financial instruments, nor constitute any recommendation on our part. The information has been prepared without considering your investment objectives, financial situation, or knowledge and experience. This material is not a research report and is not intended as such. FIS is not responsible for any trading decisions taken based on this communication. Trading swaps and over-the-counter derivatives, exchange-traded derivatives, and options involve substantial risk and are not suitable for all investors. You are advised to perform an independent investigation to determine whether a transaction is suitable for you. No part of this material may be copied or duplicated in any form by any means or redistributed without our prior written consent. Freight Investor Services Ltd (FIS) is authorised and regulated by the Financial Conduct Authority (FRN: 211452) and is a member of the National Futures Association ("NFA"). Freight Investor Services PTE Ltd ('FIS PTE') is a private limited company, incorporated and registered in Singapore with company number 200603922G, and has subsidiary offices in India and Shanghai. Freight Investor Solutions DMCC ('FIS DMCC') is a private limited company, incorporated and registered in Dubai with company number DMCC1225. Further information about FIS including the location of its offices can be found on our website at freightinvestorservices.com