



EUA Technical Report

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	Support	Resistance	Current Price	Bull	Bear
S1	55.10	R1	61.83	RSI above 50	Stochastic overbought
S2	53.61	R2			
S3	51.08	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (58)
- Stochastic is below 50
- Price is above the weekly the daily pivot EUR 58.22 (next weeks pivot is looking like it could be around EUR 61.14)
- The intraday technical was bullish last week; however, the Elliott wave cycle continued to suggest that upside moves should be considered as countertrend. Although the move below the EUR 55.06 support was minimal, it was breached, suggesting caution on current upside move, as the pullback was considered as deep. This meant that the probability of the futures trading back above the USD 62.80 fractal high had started to decrease. We noted that the next weeks pivot level was looking like it could be around EUR 58.02, if we closed on the daily chart below the pivot, it would warn that support could come back under pressure. Conversely, if the pivot held, it would suggest there was underlying support in the market. The futures held above the weekly pivot level resulting in the futures trading to a new high. We are above the 8-21 period EMA's with the RSI above 50.
- Upside moves that fail at or below EUR 71.00 will leave the futures vulnerable to further tests to the downside, above this level the futures will have a neutral bias; whilst above EUR 81.25 the daily technical would become bullish. Likewise, downside moves that hold at or above EUR 55.10 will support a near-term bull argument, if broken it will warn that the EUR 51.08 fractal support could come under pressure.
- The intraday technical remains bullish, whilst the Elliott wave cycle continues to suggest that upside moves look like they could be countertrend. The new high this week created a negative divergence with the RSI, a move above EUR 62.89 has the potential to create a second divergence. Not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. We also have the 200-period MA at EUR 63.36; this is a benchmark average that also has the potential to act as a resistance level. A close above that holds above the average will warn that the Fibonacci resistance zone could come under pressure. Likewise, a close below next weeks pivot level (currently looking like it will be around EUR 61.20) will warn that the USD 55.20 fractal support could come under pressure. We are cautious on upside moves due to the divergence in play.

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