



EUA Technical Report

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

EUA Dec 24



	Support	Resistance	Current Price	Bull	Bear
S1	67.90	R1	70.06	RSI above 50	
S2	66.90	R2	71.04		
S3	65.47	R3	72.24		

Synopsis - Intraday

Source Bloomberg

- Price is below the 8–21 period EMA’s
- RSI is below 50 (38)
- Stochastic is below 50
- Technically bullish on the last report, the MA on the RSI was flattening and potentially turning lower. This suggested that buy-side momentum was in the process of turning to the downside. The futures were moving lower on the back of a negative divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown. We were also seeing an intraday bearish engulfing candle (bearish rejection candle on the daily chart), supporting the move lower. If we traded below the USD 72.01 level, then the probability of the futures trading at a new high would start to decrease. Having seen an upside wave extension, the futures remained divergent, implying support levels are starting to look vulnerable again.
- The futures did enter and remain in a corrective phase. We are below the 8-21 period EMA’s with the RSI below 50.
- Upside moves that fail at or below USD 71.04 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technically bearish, the downside move below USD 69.28 has resulted in fractal support being broken, meaning we are seeing a wave extension to the downside. From an Elliott wave perspective, we look to be on wave 5 of C, with the potential to trade as low as USD 66.90 within this phase of the cycle. The new low means that the futures are in divergence with the RSI, not a buy signal, it is a warning we could see a momentum slowdown which does need to be monitored. With the futures looking like they could be on the 5th and final wave of this corrective phase, alongside the positive divergence; we are now cautious on downside moves, as the corrective phase could soon start to exhaust.

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