



# EUA Technical Report

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## EUA Dec 24 (Daily)



	Support	Resistance	Current Price	Bull	Bear
S1	65.42	R1	67.36	RSI above 50	Stochastic overbought
S2	64.38	R2			
S3	62.96	R3			

### Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (53)
- Stochastic is overbought
- Technically bullish last week, the downside rejection candle meant that price is above the 200-period MA (EUR 66.19), if we held above this average, it would further support a bullish argument. Likewise, failure to hold above the average would suggest caution, as it would imply that sell side pressure was increasing. Lower timeframe momentum indicators warned that we were looking a little overextended to the upside, warning that we could see an intraday pullback, making EUR 64.56 a key level to follow. If we held above this level, then resistance levels would remain vulnerable. As noted previously, our Elliott wave analysis suggested that the bearish wave cycle looks like it may have completed, meaning we maintain a note of caution on downside moves at this point. We are vulnerable to an intraday pullback; however, our wave analysis is implying caution on moves lower as they could struggle to hold.
- The futures traded to a low of EUR 65.39, before trading back up to (but not above) the EUR 68.80 fractal resistance, meaning price has formed a tweezers top resistance. We are above all key moving averages, supported by the RSI above 50.
- Upside moves that fail at or below EUR 69.72 will warn that there could be a larger, bearish, Elliott wave cycle in play. Likewise, downside moves that hold above EUR 62.96 will warn that there is potentially a larger bullish Elliott wave cycle in play.
- Technically bullish, the upside move failed to test the upper channel resistance, resulting in a double top formation forming at EUR 68.80. We are also seeing a resistance form on the RSI, whilst the intraday RSI is in divergence. Momentum is weakening, warning support levels are now vulnerable. As noted previously, the bearish Elliott wave cycle looks like it has completed; however, the technical is warning we could be about to move lower, making EUR 62.96 the key support to follow. If broken, then the probability of the futures trading to a new high will start to decrease. We are cautious on upside moves at these levels in the near-term.

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