



EUA Technical Report

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

EUA Dec 25 (Daily)



	Support	Resistance	Current Price	Bull	Bear
S1	68.35	R1	70.83	RSI above 50	Stochastic overbought
S2	67.53	R2			
S3	66.41	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (54)
- Stochastic is overbought
- Technically bearish last week, the futures had traded and closed below trend support previously, resulting in a technical sell off; however, the upside move meant we were back testing the trend line (EUR 68.21). We noted that in theory, support should act as resistance, suggesting caution on upside moves whilst below this level. If we rejected it, the futures would be vulnerable to further tests to the downside. Likewise, a close above that held above the trend line would warn that the EUR 70.41 level could come under pressure, if broken, then the probability of the futures trading to a new low would start to decrease. The RSI breakdown with price warned that upside moves could struggle to hold (be countertrend); however, the bull candle on the 19/12 was dominant, suggesting market sellers would need to see confirmation of a rejection of the trend resistance before entering fresh shorts.
- We failed to reject the trend resistance, resulting in the futures trading above the EUR 70.41 level. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above EUR 66.41 will support a near-term bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the probability of the futures trading to a new low has started to decrease. If we close above and hold above the trend resistance (EUR 71.44), it will warn that the EUR 73.68 resistance could be tested and broken, taking the technical into bullish territory. Price action is back in the triangle pattern, meaning it is neutral; however, the failed break to the downside is now warning that we could move higher.

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