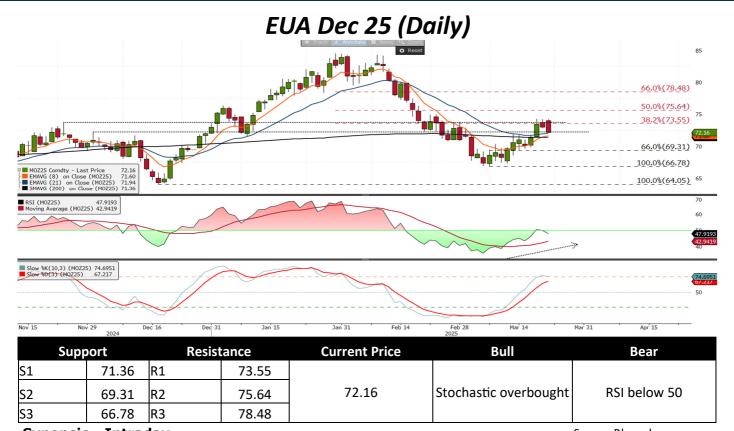
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FIS

EUA Technical Report

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Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (47)
- Stochastic is above 50
- Technically we remained bearish with a neutral bias last week, the MA on the RSI implied that momentum was supported with price testing the 200-period MA (EUR 71.42); we noted that a close above that held above the average would warn that the EUR 78.84 resistance could be tested and broken, if it was, then the technical will be back in bullish territory. Likewise, a rejection of the average will leave support levels vulnerable. However, we continued to have a note of caution on moves lower as the intraday wave cycle did warn that the bearish correction could potentially have completed. We also noted that the lower timeframe oscillator cross is still marginal, so there is a chance still we could see a bearish wave extension. Based on the information on the technical at that point, we were cautious on lower moves.
- The futures have traded above and closed above the 200-period MA (EUR 71.36) We are seeing a correction today but remain above all key moving averages supported by the RSI above 50.
- Upside moves that fail at or below EUR 78.48 will leave the futures vulnerable to further tests to the downside, above the level will be back
 in bullish territory.
- Unchanged on the technical this week, we remain bearish with a neutral bias. The MA on the RSI implies momentum is supported at this point, whilst intraday Elliott wave analysis does warn that the bearish corrective phase may have completed, meaning we continue to have a note of caution on downside moves at this point. The futures are seeing a move lower today, as price is struggling to hold above a fractal resistance zone that formed in November 24; however, we are still above the daily 200 period MA. A close below the average will warn that the EUR 69.31 support could come under pressure, as this will also mean that the futures will have closed below the low of the last dominant bull candle (EUR 71.50). If we hold above EUR 69.31 level, it will support a near-term bull argument; if broken, then the USD 66.78 fractal low will become vulnerable. A caution bear, EUR 69.87—EUR 69.31 is a key support zone.

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