

EUA Dec 25 (Daily)



Support		Resistance		Current Price	Bull	Bear
S1	63.61	R1	69.42	67.26		RSI below 50
S2	60.30	R2	71.20			
S3	56.51	R3	74.23			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is below 50 (47)
- Stochastic is above 50
- Technically bearish on the last report, the MA on the RSI implied that momentum remained weak. Intraday Elliott wave analysis continued to suggest that upside moves should be considered as countertrend, making EUR 69.42 the key resistance to follow. Above this level, the probability of price trading to a new low will start to decrease. We remained cautious on moves higher in the near-term, as the technical suggests that they could struggle to hold.
- The futures have seen a move higher with price trading around the fractal support from the 06/03 and 31/03. price is above the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below EUR 69.42 will leave the futures vulnerable to further tests to the downside, above the level the technical will have a neutral bias.
- Technically bearish, the MA on the RSI is now implying we have light momentum support. However, the futures are trading around the fractal resistance levels from March (highlight be red line on chart) whilst Elliott wave analysis suggests that upside moves should be considered as countertrend. Countering this, we have an inverse head and shoulders pattern on the RSI, supported by high volume on the momentum head (I.E. the market low). Momentum and volume are warning we could move higher, making EUR 69.42 the key resistance to follow. If broken, then the probability of the futures trading to a new low will start to decrease. The wave cycle and the technical are conflicting, with the momentum support with volume means we are leaning towards caution on moves lower.

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