



EUA Technical Report

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Support	Resistance	Current Price	Bull	Bear
S1	R1	76.01	RSI above 50	Stochastic overbought
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (60)
- Stochastic is overbought
- Technically we remained bullish on the last report, the MA on the RSI was flat, implying momentum was turning neutral. The futures were holding above the 200-period MA, implying the market was supported; however, above EUR 75.02 the intraday 4-hour RSI will be divergence with the RSI, we could also be divergent on the daily RSI. For this reason we continued to be cautious on upside breakouts at that point. For upside continuation, the futures would need to trade to a new high with the divergence failing. If we closed and held below the 200-period MA, then Fibonacci support would start to look vulnerable.
- The futures have broken to the upside with price now above the EUR 75.02 resistance. We are above all key moving averages supported by the RSI below 50.
- Downside moves that hold at or above EUR 72.03 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI indicates we have light momentum support. The new high is being replicated by the RSI on the daily timeframe; however, the intraday 4-hour RSI is divergent. Not a sell signal, it is a warning that we could see a momentum slowdown, which will need to be monitored. Fibonacci projection levels based on the intraday Elliott wave cycle suggest that we have the potential to trade as high as EUR 78.84. However, we are a cautious bull due to the divergence in play; if we do trade below the EUR 72.03 level, then the probability of price trading to a new high will start to decrease.

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