

EUA Dec 25 (Daily)



Support	Resistance	Current Price	Bull	Bear
S1	R1	75.90	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 (62)
- Stochastic is overbought
- Technically bearish last week, we had a neutral bias as price was trading in an ascending triangle pattern. Due to the rising trend support, the triangle did have bullish connotations; for upside continuation we noted that we would need to see a close the held above EUR 73.35 on rising volume. Conversely, a break to the downside (EUR 70.93) would not need volume support, as the weight of the futures was considered enough. If we broke to the upside and breached the EUR 74.01 resistance, then the probability of price trading to a new low will start to decrease. Neutral.
- The futures broke the ascending triangle to the upside, resulting in the futures trading above the EUR 74.01 resistance. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above EUR 71.37 will support a 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. The upside breakout from the ascending triangle had volume support; whilst the RSI has made new highs, suggesting downside moves should be considered as counter-trend in the near-term, making EUR 71.37 the key support to follow. The MA on the RSI also implies that momentum is supported, warning the EUR 76.74 fractal resistance could be tested and broken; if it is, then the technical will be considered as bullish. A pattern breakout with momentum support indicates resistance levels are vulnerable, whilst support levels should hold if tested.