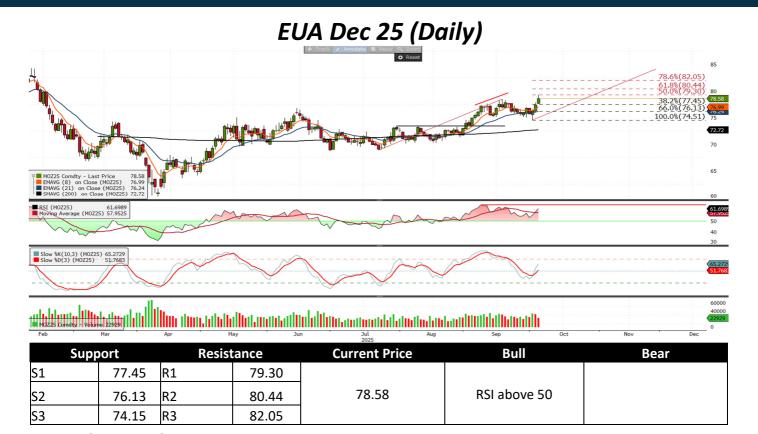
FIS

EUA Technical Report

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



Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is at 50
- Bullish but in a corrective phase last week, the MA on the RSI implied that momentum was weakening. Upside moves that failed at or below EUR 77.31 would leave the futures vulnerable to further tests to the downside; conversely, if broken, market bulls would look to test the EUR 78.45 fractal high. Our Elliot wave analysis continued to suggest that downside moves should be considered as countertrend, making EUR 72.12 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease, increasing the probability of the bullish wave cycle failing.
- The futures traded to a low of EUR 74.51 before trading to a new high. We are above all key moving averages supported by the RSI below 50.
- Downside moves that hold at or above EUR 76.31 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the new high confirms that we are on an Elliott wave 5 for this phase of the cycle. Fibonacci projections levels suggest that we have the potential to trade as high as EUR 80.44; however, the new high means that the futures are in divergence with the RSI. Not a sell signal, it is a warning that we could see a momentum slowdown, making EUR 76.13 the key support to follow. Below this level the probability of the futures trading to a new high will start to decrease. We are on an Elliott wave 5 whilst in divergence, warning we now have the potential to exhaust, meaning the futures are not considered as technical buy at these levels, as price is vulnerbale to a corrective move lower.

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 <u>freightinvestorservices.com</u>