

FIS

EUA Technical Report

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

EUA Dec 25 (Daily)



Support		Resistance		Current Price	Bull	Bear
S1	76.50	R1	80.44	77.31		
S2	74.62	R2	81.36			
S3	72.77	R3	82.05			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is at 50 (50)
- Stochastic is above 50
- Technically bullish last week, the futures had held near-term support, warning the EUR 80.37 resistance was vulnerable; if broken, it would signal that we had seen a lower timeframe Elliott wave extension. However, a new high would create a negative divergence with the RSI, not a sell signal, it warned that we could see a momentum slowdown, which would need to be monitored. With price remaining elevated, it was looking like we are seeing a higher timeframe wave extension, suggesting downside moves should be considered as countertrend, making EUR 72.77 the key longer-term support to follow. Below this level the probability of the futures trading to a new high would start to decrease. Bullish, we had a note of caution on upside breakouts, as the divergence warned that we could struggle to hold above EUR 80.37 in the near-term.
- The futures failed to trade to a new high, resulting in price entering a corrective phase. We are below the 8-21 period EMA's whilst the RSI is neutral at 50.
- Downside moves that hold at or above EUR 76.50 will support a near-term bull argument, below this level the technical will have a neutral bias. However, key longer-term support is at EUR 72.77.
- The upside rejection last week has resulting in a small double top formation, warning the EUR 76.50 support could be tested and broken. If it is, then it will warn that the probability of the futures trading to a new high within this phase of the cycle will start to decrease. However, as highlighted previously, there looks to be a larger, bullish Elliott wave cycle in play, making EUR 72.77 the key support to follow. If this level is broken, then the Elliott wave cycle will have a neutral bias; if we hold, it will indicate another bull phase is to follow. The upside rejection with the threat of a negative divergence above EUR 80.37 means support levels are now vulnerable in the near-term.

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 freightinvestorservices.com