FIS

EUA Technical Report

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Support		Resistance		Current Price	Bull	Bear
S1	76.50	R1	80.44	78.36	RSI above 50	Stochastic overbought
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 above 50 (54)
- Stochastic is above 50
- The upside rejection previously had resulted in a small double top formation, warning the EUR 76.50 support could be tested and broken. If it was, then it would warn that the probability of the futures trading to a new high within this phase of the cycle would start to decrease. However, as highlighted previously, there looked to be a larger, bullish Elliott wave cycle in play, making EUR 72.77 the key support to follow. If this level was broken, then the Elliott wave cycle would have a neutral bias; if we held, it would indicate another bull phase was to follow. The upside rejection with the threat of a negative divergence above EUR 80.37 meant that support levels were vulnerable in the near-term.
- Having sold to a low of EUR 77.01 the futures have seen light bid support. Price is between the 8-21 period EMA's supported by the RSI above 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 downside move in the futures is holding above the EUR 76.50 level; however, as highlighted previously, a double top formation alongside a negative divergence above EUR 80.37, means we remain cautious on upside moves in the near-term. Below EUR 76.50 the probability of the futures trading to a new high within this phase of the cycle will start to decrease, warning support levels could come under further pressure. Key longer-term support is at EUR 72.77, corrective moves that hold above this will imply we have an-other bull phase to follow; if broken, then the higher timeframe Elliott wave cycle becomes neutral.