

## EUA Dec 26 (Daily)



Support	Resistance	Current Price	Bull	Bear
S1	82.27	R1	89.09	
S2	80.35	R2	91.36	
S3	77.45	R3	92.53	
		86.92	RSI above 50	Stochastic overbought

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is overbought
- Technically bullish last week, the MA on the RSI implied that momentum was supported at that point; however, the RSI was divergent with price, which needed to be monitored. Elliott wave analysis suggested that downside moves should be considered as countertrend, making EUR 76.14 the key support to follow. If broken, then the probability of the futures trading to a new high would start to decrease. The aggregate open interest was high, suggesting the market was becoming exposed to if we entered a corrective move lower. A cautious bull.
- The futures continue to trade to new highs, price is above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above EUR 77.15 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the MA on the RSI implies that momentum is supported. We have added our interpretation of the Elliott wave cycle, it is very complex, and could be incorrect. However, based on our analysis, it does suggest that we are in a bullish Elliott wave extension, which appears to be nearing completion of the higher timeframe wave 3, meaning downside moves are considered as countertrend. In the near-term, the EUR 88.49 resistance is still vulnerable, as the lower timeframe cycle suggests we should see one more test to the upside within this phase of the cycle. Key support is at EUR 77.75, a move below this level will be considered as deep into the last bull wave, warning that the probability of the futures trading to a new high will start to decrease.