

## EUA Dec 26 (Daily)



| Support | Resistance | Current Price | Bull         | Bear |
|---------|------------|---------------|--------------|------|
| S1      | 85.34      | 88.37         | RSI above 50 |      |
| S2      | 82.52      |               |              |      |
| S3      | 80.55      |               |              |      |
|         | R1         |               |              |      |
|         | R2         |               |              |      |
|         | R3         |               |              |      |

## Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (63)
- Stochastic is above 50
- Technically bullish on the last report, the MA on the RSI implied that momentum was supported. We had added our interpretation of the Elliott wave cycle, we noted that it was very complex, and could be incorrect. However, based on our analysis, it did suggest that we were in a bullish Elliott wave extension, which appeared to be nearing completion of the higher timeframe wave 3, meaning downside moves were considered as countertrend. In the near-term, the EUR 88.49 resistance was 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 was at EUR 77.75, a move below this level would be considered as deep into the last bull wave, warning that the probability of the futures trading to a new high would start to decrease.
- The futures traded to a high of EUR 88.88 with price remaining supported. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above EUR 77.88 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures look to be on an Elliott wave ((5)) of this phase of the cycle. Higher timeframe Elliott wave analysis does suggest that downside moves should be considered as countertrend; however, price is in divergence, meaning we maintain a note of caution on upside moves above the EUR 88.88 fractal resistance. A close below the trend support line (EUR 85.34) will imply sell side pressure is increasing, warning the Fibonacci support zone could come under pressure. A cautious bull in the near-term.

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