



EUA Technical Report

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Support	Resistance	Current Price	Bull	Bear
S1	67.90	R1	77.79	RSI below 50
S2	65.03	R2	80.85	
S3	61.99	R3	84.99	

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (41)
- Stochastic is below 50
- Technical Outlook last week: Bearish—Upside moves considered as countertrend
- Unchanged again last week, the futures had seen a test to the downside that failed to trade to a new low at that point, while the RSI remained above its moving average, implying we had light momentum support. Upside moves were still considered as a countertrend wave B, based on our Elliott wave analysis. We noted that if we traded to a new low before trading above the EUR 74.50 fractal resistance, we could potentially be looking at a bearish wave extension within the initial corrective wave A. Although the RSI was above holding its average, we were not seeing bullish price action, warning the EUR 68.11 fractal low was currently still vulnerable.
- The futures traded to a low of EUR 67.90 before finding bid support on a positive divergence with the RSI. The new low signaled a bearish Elliott wave extension, while the move above the EUR 74.50 level confirms that we have entered a countertrend wave B. We are below all key moving averages supported by the RSI below 50.
- Upside moves that fail at or below EUR 84.99 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical Outlook: Countertrend wave B
- The futures are seeing light bid support on the positive divergence with the RSI, while the upside move above the EUR 74.50 fractal resistance alongside the RSI moving higher implies that buy-side pressure is increasing, warning the Fibonacci resistance zone could come under pressure in the near-term. However, we have a 5-wave pattern lower suggesting we have completed a corrective Elliott wave A, indicating we have entered a countertrend wave B, making EUR 84.99 the key resistance to follow. Only above this level will the technical footprint change from bearish to neutral.

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