



# EUA Technical Report

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

## EUA Dec 26 (Daily)



	Support	Resistance	Current Price	Bull	Bear
S1	67.60	R1	74.84		
S2	65.03	R2	77.83		RSI below 50
S3	61.99	R3	80.88		

### Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is below 50 (46)
- Stochastic is below 50
- Technical Outlook last week: Divergent—cautious on downside moves
- Technically we remained bearish with the futures trading to a new low last week. We noted that the Elliott wave corrective phase is less clear; with the situation in the Middle-East we seem to have lost where we are in the Psychological footprint, as the upside pullback was very shallow, followed by a move to a new low. Between EUR 74.48 and USD 74.84 we had three fractal resistance levels; however, the new low meant that the futures were in divergence with the RSI, suggesting caution on downside moves at that point. For upside continuation, we were going to need to close and hold above the EUR 74.84 fractal resistance. Upside moves that failed at or below EUR 85.01 will warn that there could be further downside within the corrective phase.
- The futures sold to a low of EUR 63.07 before finding bid support on the news that EU leaders backed keeping the bloc's carbon market intact (Bloomberg). We are between the 8-21 period EMA's with the RSI below 50.
- Upside moves that fail at or below EUR 83.50 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical Outlook: Positive reversal pattern—cautious on upside moves
- The futures are moving higher on the positive divergence with the RSI; however, the RSI is about to test and potential break resistance, price is not. This is known as a negative reversal pattern, warning price remains vulnerable to further tests to the downside in the near-term. If the RSI makes a new high, and price trades above EUR 74.48, then we will have positive momentum confirmation, implying buyside pressure is increasing. In this scenario, the Fibonacci resistance zone will become vulnerable.

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](http://freightinvestorservices.com)