



EUA Technical Report

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Support	Resistance	Current Price	Bull	Bear
S1	R1	77.54	RSI above 50	Stochastic overbought
75.84	78.39			
S2	R2			
72.34	78.45			
S3	R3			
70.57	83.36			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (63)
- Stochastic is overbought
- Technical Outlook last week: Negative reversal pattern—cautious on upside moves
- Sorry, we forgot to change the technical outlook to momentum confirmation on Monday. We noted that the negative reversal pattern had failed, the new high meant that we had positive momentum confirmation, leaving resistance vulnerable in the near-term. However, we had the weekly 200-period MA at EUR 77.53 and the daily 200 MA at EUR 78.34. Those were both benchmark averages, meaning we continue to be cautious on higher moves while below this area. For upside continuation, price will need to close and hold above the daily 200-period MA, and breach the EUR 83.36 resistance; if we did, it would signal that the technical is turning to the buyside.
- The futures have traded higher on the positive momentum confirmation, price is above the 8-21 period EMA's supported by the RSI above 50.
- Upside moves that fail at or below EUR 83.36 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical Outlook: Inflection point
- The futures are testing the weekly 200-period MA at EUR 77.64 and the daily MA at EUR 78.39, meaning price is at an inflection point while testing a resistance zone. For upside continuation the futures will need to close and hold above the daily 200-period MA; however, a rejection of the averages followed by a close below the intraday 200-period MA at EUR 75.84 will signal an increase in sell side pressure. On the buyside, we have momentum confirmation alongside the RSI moving average indicating momentum support. However, while below the longer-term daily and weekly MA's we are cautious on upside moves.

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