



EUA Technical Report

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Support	Resistance	Current Price	Bull	Bear
S1	R1	74.02	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is between the 8—21 period EMA's
- RSI is above 50 (51)
- Stochastic is below 50
- Technical Outlook last week: Neutral
- We had a more of a neutral bias last week. For upside continuation we needed to see a close and hold above the daily 200-period MA at EUR 78.45. However, the technical was bullish based on price, the ADX at 25 signals a trending environment with the DMI showing a bullish cross. This was supported by price and the RSI making new highs, meaning we had bullish momentum confirmation. Throwbacks will that held at or above EUR 68.17 would support a bull argument; if breached, then the probability of the futures trading to a new high would begin to decrease. Bullish with downside moves looking like they could be countertrend; our neutral bias come from the placement of the 200-MA, as buy signals at these levels could have limited upside.
- The futures rejected the 200-period MA at EUR 78.49. We are between the 8-21 period EMA's with the RSI near neutral at 51.
- 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: Sell side pressure increasing.
- The futures have rejected the 200-period MA, while the RSI has produced a failed swing high, this implies that sell side pressure is increasing. There is a bullish argument as we do have a positive reversal pattern in play; however, the third wave higher between EUR 71.25—EUR 78.07 has a 66% retracement at EUR 73.57, which has been broken. Working on the bases that we have rejected the 200 MA, a deep pullback, and a failed swing high with the RSI, our analysis suggests that support levels are becoming increasingly vulnerable.

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