FIS

EUA Technical Report

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Support		Resistance		Current Price	Bull	Bear
S1	77.90	R1	80.33	77.94		RSI below 50
S2	75.60	R2	83.36			
S3	73.78	R3	84.09			

Synopsis - Intraday

Source Bloomberg

- Price is below the 8—21 period EMA's
- RSI is below 50 (43)
- Stochastic is below 50
- Technical Outlook last week: Inflection point/neutral
- We maintained a cautious approach to higher moves in the last report based on the 5-wave pattern higher. The upside rejection was holding trend support at EUR 79.75 and the 200-period MA at EUR 79.18; however, the ADX was at 19, indicating we had exited a trending environment, this supported a sellers argument, on the bases bid strength was weakening. For downside continuation, we were going to need to see a close and hold below the 200-period MA, alongside a breach in the EUR 77.90 support. Very near-term price action was more neutral, as we needed to see a bearish close for downside continuation, We noted that price was not considered a technical buy based on the pattern analysis.
- The futures are now selling lower with price breaching the EUR 77.90 support. We are below all key moving averages supported by the RSI below 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: Sell side pressure increasing
- The futures are below the 200-peirod MA at EUR 79.19, while the breach in the EUR 77.90 level implies that the probability of price trading to a new high has begun to decrease. The RSI has negative velocity and negative acceleration, meaning we have bearish momentum confirmation, this indicates that sell side pressure is increasing. Price has rejected key resistance and breached key support, we have broken trend support with the futures below the 200-peirod MA. Technically, we are cautious on higher moves at this point. For upside continuation, price would need to breach the USD 83.36 resistance,