FIS EUA Technical Report

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Support		Resistance		Current Price	Bull	Bear
S1	84.09	R1	87.23	86.69	RSI above 50	Stochastic overbought
S2	83.38	R2	88.41			
S3	82.72	R3	93.80			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (61)
- Stochastic is above 50
- Technical Outlook last week: caution on upside moves
- We noted last week that although the futures had closed above the fractal resistance supported by the RSI reclaiming 60, we were now cautious on upside moves. The wave overlap highlighted previously was not normally bullish impulse, we had two peaks while price was starting to roll over to the sell side. Three peaks in close succession had bearish implications. We also noted that the intraday technical was divergent on the 1-and-4-hour timeframes, warning buyside momentum could slow. If the RSI started closing below 60 it would suggest trend support at EUR 82.63 could be tested.
- The RSI held above the 60 level resulting in price trading at a high of EUR 88.53 before rejecting the channel resistance and selling lower. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above EUR 80.87 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: downisde moves considered as countertrend
- Having moved higher on the wave overlap we can only conclude that the a bullish Elliott wave cycle has seen an extension, meaning the overlap was perhaps two different cycles interacting. However, we must state that there is a lack of clarity on our wave analysis, a wave extension is an assumption, it is not clear to see. Having rejected the channel resistance the futures have failed to test the rising trend support line, implying market support, the ADX at 29 signals we are in a trending environment. Both intraday divergences failed, signaling bullish momentum confirmation, we also note that the daily RSI made a new high. The trending environment (ADX), failure to test trend support, alongside the bullish momentum confirmation, implies caution on lower moves in the near-term, If the RSI closes and holds above 60, then the channel resistance at EUR 88.41 could be tested. Market buyers should act with caution if the RSI fails to reclaim the 60 level, as it would warning that momentum is showing signs of weakness.

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