FIS EUA Technical Report

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Support		Resistance		Current Price	Bull	Bear
S1	84.09	R1	87.23	87.15	RSI above 50	Stochastic overbought
S2	82.72	R2	88.55			
S3	80.87	R3	88.88			

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: downisde moves considered as countertrend
- Having moved higher on the wave overlap previously, we concluded that there had been a bullish Elliott wave extension, meaning the overlap was perhaps two different cycles interacting. However, we stated that there was a lack of clarity on our wave analysis, a wave extension was an assumption, it was not clear to see. Having rejected the channel resistance the futures had failed to test the rising trend support line, implying market support, the ADX at 29 signaled that we were in a trending environment. Both intraday divergences failed, signaling bullish momentum confirmation, we also noted that the daily RSI had made a new high. The trending environment (ADX), failure to test trend support, alongside the bullish momentum confirmation, implied caution on lower moves in the near-term, If the RSI closed and held above 60, then the channel resistance at EUR 88.41 could be tested. Market buyers should act with caution if the RSI failed to reclaim the 60 level, as it would warn that momentum was showing signs of weakness.
- The As small pullback found bid support resulting in price trading higher. We remain 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: Buyside pressure increasing
- The small pullback found bid support resulting in a failed swing low, signaling buyside pressure is increasing, we also note that the RSI is in the process of trying to reclaim the 60 level. A close and hold above 60 would suggest that the EUR 88.55 fractal high could be tested and broken. The caveat, an upside breakout has the potential to create a negative RSI divergence, implying caution above this level. We also highlight that we have trend resistance at EUR 88.88; If we are divergent, this resistance could prove significant. The market is showing signs that it remains supported; however, caution is warranted if the RSI rejects the 60 level, as it will warn of momentum weakness.

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