FIS EUA Technical Report

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Support		Resistance		Current Price	Bull	Bear
S1	84.09	R1	86.95	86.78	RSI above 50	
S2	82.72	R2	87.23			
S3	80.87	R3	89.89			

Synopsis - Intraday

Source Bloomberg

- Price is above the 8—21 period EMA's
- RSI is above 50 (57)
- Stochastic is at 50
- Technical Outlook last week: Descending triangle pattern
- We noted last week that the failure to reclaim the 60 level had resulted in the RSI moving below 50, the momentum rejection warns that support levels were becoming vulnerable. This upside rejection by price meant that we had a descending triangle pattern forming, the falling trend line had bearish connotations. If the futures closed and hold below the EUR 84.07 support, then the triangle pattern would be in play, warning the EUR 80.87 support could be tested and broken. We were still in a trending environment; however, a falling ADX was indicating that the trend condition was showing signs of weaken. The technical suggested that caution was warranted on upside moves. To signal buyside pressure is increasing, the RSI would need to reclaim and hold the 60 level, supported by price breaking and holding the trend resistance at EUR 87.37.
- The futures sold at a low of EUR 82.35; however, price failed to hold below the EUR 84.07 support line for more than one session. The failed break-down has resulted in price testing trend resistance at EUR 86.95. 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: Neutral
- The futures remain in the descending triangle, meaning we remain in neutral territory. A close and hold above the trend resistance at EUR 86.95 will need the RSI to reclaim and hold the 60 level; otherwise it will be prone to failure. If we hold above the 60 level on a breakout, then market bulls would look to test the channel resistance at EUR 89.89. We are seeing evidence of support on the technical as the RSI has held the 40 level on the throwback to EUR 82.35; however, we need to see more upside from price and momentum to signal channel resistance is vulnerable.

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