FIS

EUA Technical Report

info@freightinvestor.com | freightinvestorservices.com | fis-live.com
London (+44) 20 7090 1120 | Dubai (+971) 4 4493900 | Singapore (+65) 6535 5189 | Shanghai (+86) 21 6335 4002

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Support		Resistance		Current price	Bull	Bear
S1	84.55	R1	86.52	85.84		
S2	84.70	R2	90.36			
S3	82.35	R3	93.80			

- **Synopsis- Intraday**
- Price is below the 8-21 period EMA's
- RSI at 50 (50)
- Stochastic is above 50
- Technical Outlook Previously: Neutral
- The futures remained in the descending triangle last week, meaning we remained in neutral territory. A close and hold above the trend resistance at EUR 86.95 would need the RSI to reclaim and hold the 60 level; otherwise, it would be prone to failure. If we held 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 was vulnerable.
- The futures broke to the upside, but the RSI became divergent, meaning we failed to hold above the 60 level, resulting in price selling back into the triangle patter. We are below the 8-21 period EMA's supported by the RSI above 50.
- Downside moves that hold at or above EUR 84.55 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: Neutral
- In theory, price is back in the descending triangle pattern, implying the technical is neutral. However, the upside move to a new high created a failed breakout due to a negative divergence, meaning we have a cautious approach to further breakouts above the EUR 88.82 fractal high. A close and hold below EUR 84.07 would suggest that sell side pressure is increasing, as this would also put price below the EUR 84.55 support, implying that the probability of the futures trading at a new high has started to decrease.

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