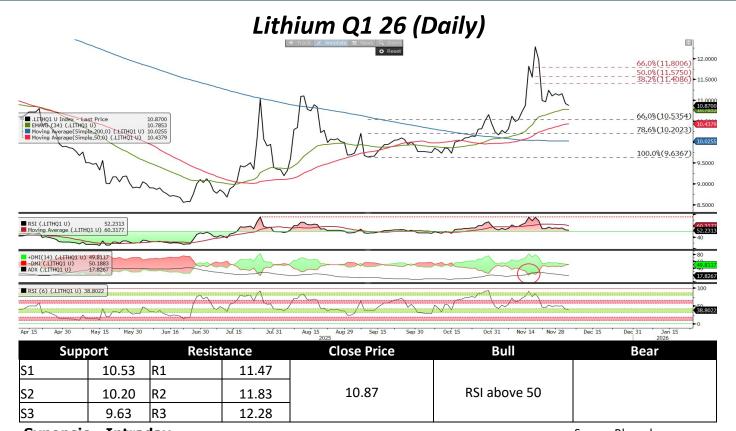
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FIS

Lithium Technical Report

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Synopsis - Intraday

Source Bloomberg

- Price is above the 34 period EMA and 50-period SMA
- 21—period RSI is above 50 (52)
- ADX at 17 implies a lack of trend
- Technically bullish but in a corrective phase on the last report. The futures had seen a sharper than expected pullback on the news that Contemporary Amperex Tech was on the cusp of reopening a major mine as early as next month (Bloomberg 24/11). Countering this, the ADX was at 25 with the 6-period RSI approaching bull support (bottom window, green band), whilst price was above the USD 10.53 level. If the corrective move lower held USD 10.53 with the oscillators remaining in bull territory, it would leave the futures vulnerable to a move higher, warning the USD 11.83 resistance could come under pressure. This was a key upside level, if rejected, it would indicate that the corrective phase was becoming more complex, warning of further tests to the downside. Conversely, if broken, market bulls would target the USD 12.28 fractal high.
- The futures initially traded to a high of USD 11.24 before selling back below the USD 10.96 fractal low. We remain above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 10.53 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the futures remain in a corrective phase. The MA on the RSI implies very light momentum weakness, whilst the ADX at 17 indicates we have exited a trending environment. We now have a three wave pattern lower with the 6-period RSI in its support band, the futures remain above the USD 10.53 support. From a technical perspective, the pattern and momentum support warn that sell side momentum could slow, meaning market shorts should act with caution. Upside moves above USD 11.24 will indicate buyside pressure is increasing, warning the USD 11.80 Fibonacci resistance could be tested. This is a key level on the technical, if rejected, it will warn that the corrective phase has the potential to become more complex; conversely, above this level, market buyer's will target the USD 12.28 fractal high. Downside moves below USD 10.53 will be considered as deep into the last bull wave, suggesting the probability of the futures trading to a new high has started to decrease. Technically, we are becoming cautious on downside moves from here, as they could struggle to hold.

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