



# Lithium Technical Report

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## Lithium Q2 26 (Daily)



	Support	Resistance	Close Price	Bull	Bear
S1	18.75	R1	20.12	19.80	RSI above 50
S2	17.86	R2	20.75		
S3	16.35	R3	21.60		

### Synopsis - Intraday

Source Bloomberg

- Price is above the 34 period EMA and 50-period SMA
- 14—period RSI is above 50 (54)
- ADX at 20 implies trend environment is increasing
- Technical outlook last week: Resistance vulnerable
- Technically bullish last week, having seen a strong move higher on the back of the trend support holding. The ADX was moving above the 20 level, indicating that the trend was starting to gain strength, a rising moving average on the RSI supported this. Fibonacci projection levels based on our Elliott wave analysis suggest that we have a potential upside target at USD 25.96, with further resistance at USD 28.53. Based on this being the third wave of a higher timeframe wave 5, downside moves should in theory be countertrend, making USD 18.75 the key support to follow. Below USD 18.75 the pullback would be considered as deep, meaning the probability of the futures trading to a new high will begin to decrease. Momentum support while the ADX had moved above 20 suggested that resistance levels are vulnerable.
- The futures entered a corrective phase before gapping lower on Monday due to economic uncertainty after the U.S and Israel bombed Iran. The corrective move lower has found bid support off the trend line at USD 17,86 (on the 02/03). We are above all key moving averages supported by the RSI above 50.
- Upside moves that fail at or below USD 21.60 will leave the futures vulnerable to further tests to the downside, above this level price will re-enter bullish territory.
- Technical Outlook: Neutral
- The move below the USD 18.75 support is considered as deep, meaning the probability of price trading to a new high has started to decrease, based on the pullback the technical is neutral. However, the corrective move has held the support line at USD 18.19, indicating the broader trend is still considered to be bullish, even if near-term price action is neutral. A close and hold below the support line will weaken the technical further, warning the USD 16.35 fractal low could come under pressure. On the buy side, the futures will need to trade above USD 21.60 to re-enter bull territory. Neutral

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