



Lithium Technical Report

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Lithium Q3 26 (Daily)



	Support	Resistance	Close Price	Bull	Bear
S1	23.60	R1	24.00	RSI above 50	Stochastic overbought
S2	22.18	R2	25.81		
S3	21.40	R3	28.38		
			23.65		

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 period EMA and 55-period EMA
- 14—period RSI is above 50 (58)
- Stochastic overbought
- Technical outlook Previously: Momentum support
- The RSI was making new highs alongside price last week, signaling near-term momentum support, while the stochastic was holding above the 70 level, confirming we were in a trending environment. Fibonacci projection levels suggested that we have the potential to trade as high as USD 25.81 within this phase of the cycle. However, we noted that market longs should be cautious on a close below the USD 22.45 fractal support, as a lower low would warn that sell side pressure was increasing, meaning the Fibonacci support zone could be tested and broken.
- The futures traded to a high of USD 24.70 with price remaining supported. We are above all key moving averages with the RSI above 50.
- Downside moves that hold at or above USD 20.34 will support a bull argument, below this level the technical will have a neutral bias.
- Technical Outlook: cautious bull
- The RSI is testing trend support, if broken it will warn that sell side pressure is increasing. We gapped high on the 06/05, resulting in a consolidating phase where price traded to a high of USD 24.70; we are now testing base support (rectangle floor) at USD 23.60. This means price is at an inflection point, if we gap lower from this consolidation, then we will have an island reversal pattern coming into play. This would signal that market sellers are becoming dominant, warning support levels could be tested and broken. If we trade lower without gapping, there will not be a bearish pattern in play; in this instance we would need to close below the USD 22.45 fractal support to signal sellers were becoming dominant.

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