# FIS Lithium Technical Report

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## *Lithium Q4 26 (Daily)*




| Support | | Resistance | | Close Price | Bull | Bear |
|---|---|---|---|---|---|---|
| S1 | 15.90 | R1 | 17.74 | 17.30 | Stochastic oversold | RSI below 50 |
| S2 | 14.33 | R2 | 18.76 | | | |
| S3 | 13.37 | R3 | 20.00 | | | |

## Synopsis - Intraday

Source Bloomberg

- Price is below the 34 period EMA and 55-period EMA
- RSI is below 50 (38)
- Stochastic is oversold
- Technical outlook Previously: Inflection point
- We noted on our previous report that the move lower had resulted in price testing the USD 18.55 support; however, we were yet to trade below it, meaning price was at an inflection point. Below USD 18.55 the pullback would be considered a deep, meaning the probability of price trading back above the USD 20.00 fractal resistance would begin to decrease. Conversely, if we hold above the USD 18.55 level it would warn that there was an underlying support in the market. The technical was in balance, meaning we have a neutral bias, as our expectation based on wave analysis was that the correct phase had already completed.
- The futures traded below the USD 18.55 support resulting in price selling at new lows. We have seen light bid support but remain below all key moving averages with the RSI below 50.
- Upside moves that fail at or below USD 18.76 will leave the futures vulnerable to further tests to the downside, above this level the technical would have a neutral bias.
- Technical Outlook: Caution on upside moves
- The move to a new low implies that we are looking at a more complex corrective pattern known as a double 3. This would suggest that upside moves should in theory be countertrend, providing the USD 18.76 resistance is not breached. Above USD 18.76 the probability of the futures trading at a new low would start to decrease. Having rejected the 60 level the RSI has broken below 40, this implies momentum weakness. If the RSI reclaims the 40 level it will warn momentum support is entering the market; however, for upside continuation, the RSI would also need to reclaim and hold the 60 level.

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