

Technical Analysis

December 16th 2013

SIF Banat Crisana – SIF1



Intraday bias for SIF1 titles remains on the upside, as the titles continued their rally in the last months. The price extended since the beginning of August to as high as 1.270 so far, but further rise is unlikely for the short to medium term, due to strong resistance around 1.280 area, selling pressure being expected in the following period.

In the case in which 1.280 resistance will be broken and retested, we expect upside movements to be continue, being limited in the first phase at 1.385, major swing.



SIF1 titles recorded in the last weeks a steady upwards trend, the price moving away from 50 and the 100 simple moving averages (SMA), which are now confirmed as a strong dynamic area of support. The SMA50, indicating the medium term potential, crossed above the SMA100, confirming the bullish bias. However, signs of overbought are seen in the RSI, the stochastic also confirming a possible downward correction.

ADX indicator suggests however a continuation of the trend, with the +DI crossing above the -DI. Conflicting signals in the main indicators suggest a possible downward movement, taking into account the major resistance around 1.280 area.

- SIF1 trade plan -

Our recommendation: SELL positions in the short terms of few weeks, around 1.270 level with targets at 1.10 and 1.00 levels.