

Technical Analysis

March 6th 2013

SIF Transilvania – SIF3



Intraday bias for SIF3 titles remains on the upside, as the titles continued their strong rally started in May 2012. The price extended since the beginning of 2013 to as high as 0.590 so far, and further rise could still be seen, the retest of this area being expected in the following period.

In the case the lower trendline of strong trend formed in the last year is broken, this could indicate a possible bearish momentum.

In the case in which 0.590 resistance will be broken and retested, we expect upside movements to be continue, being limited in the first phase at 0.70, round number.



SIF3 titles recorded this year a steady upwards trend, the price being sustained by 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, stood all year above the SMA100, confirming the bullish bias. The ADX indicator also suggests a continuation of the trend, with the +DI crossing above the -DI. However, signs of overbought are seen on RSI indicator, with a divergence formed in the last months, which could indicate the start of a correction. Stochastic indicator also suggests a downward movement.

- SIF3 trade plan -

Our recommendation: HOLD positions above 0.50 levels, SHORT positions below 0.50 level