

Small & Mid Cap Basket

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Technical Analysis

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Technical indicators												
ISSUE	CLOSE	TREND	TARGET	UPSIDE	STRESS	CONTR	1° RES	2° RES	3° RES	1° SUPP	2° SUPP	3° SUPP
ADB	12.3	DOWN	8.96	27.15		11.98	12.86	13.2	13.86	10.8	10.52	10.02
AEFFE	1.600	DOWN	1.08	32.50		1.94	1.66	2	2.1	1.47	1.4	1.33
AVIO	11.78	NEUTR					12.5	13.2	13.86	11.62	11.32	10.78
BANCA IFS	14.6	NEUTR					15.89	16.31	17.12	14.32	12.13	11.55
BANCA SISTEMA	1.26	DOWN	1.03	18.25		1.54	1.29	1.33	1.39	1.13	1.1	1.05
BCA FINNAT	0.2900	DOWN	0.27	6.90		0.3	0.300	0.300	0.320	0.280	0.270	0.260
BE THINK	0.9600	UP	1.14	18.75		0.79	1.040	1.070	1.120	0.930	0.920	0.870
BIESSE	10.81	DOWN	7.46	30.99		13.22	11.66	11.97	12.56	9.55	9.31	8.86
CENTRALE DEL LATTE IT	2.65	DOWN	2.29	13.58		2.76	2.68	2.72	2.86	2.56	2.51	2.39
COIMA RES	8.42	UP	8.98	6.65		8	9.02	9.26	9.72	7.82	7.62	7.26
D'AMICO	0.09	NEUTR					0.1	0.1	0.11	0.09	0.09	0.08
ELICA	2.06	UP	2.86	38.83		1.97	2.28	2.34	2.46	1.93	1.84	1.75
ESPRINET	3.1	DOWN	2.41	22.26		3.47	3.29	3.37	3.54	2.74	2.67	2.54
EUROTECH	5.9	UP	6.85	16.10		4.7	6.42	6.59	6.92	5.57	5.05	4.81
FIDIA	4.3	DOWN	3.45	19.77		4.96	4.58	4.7	4.93	3.7	3.61	3.43
FIERA MILANO	4.06	UP	5.15	26.85		2.63	4.36	4.57	4.8	3.8	3.65	3.48
FILA	13.12	DOWN	10.96	16.46		14.28	14.60	14.98	15.73	12.64	12.32	11.73
GIGLIO GROUP	2.990	DOWN	2.1	29.77		3.39	3.480	3.570	3.750	2.720	2.580	2.460
GUALA CLOSURES	6	DOWN	3.88	35.33		6.19	6.5	6.7	7.03	5.88	5.74	5.47
IGD	5.51	DOWN	4.8	12.89		5.75	5.76	6.28	6.59	5.21	5.08	4.84
INDEL B	22	NEUTR					22.5	23.9	25.09	21.5	20.95	19.95
IRCE	1.86	DOWN	1.44	22.58		2.06	1.89	1.94	2.04	1.67	1.63	1.55
ISAGRO	1.23	DOWN	1.04	15.45		1.31	1.25	1.35	1.42	1.17	1.16	1.1
ITALIAONLINE	2.82	UP	2.91	3.19		2.6	3.1	3.18	3.34	2.74	2.67	2.54
LA DORIA	8.08	DOWN		21.29		9.05	8.23	8.45	8.87	7.75	7.55	7.19
LU VE	10.6	NEUTR					11.4	11.6	12.18	10.3	9.95	9.48
MARR	19.7	DOWN	14.94	24.16		20.93	21.6	22.17	23.27	18.42	18.1	17.24
MZBG	5.92	DOWN	4.88	17.57		6.15	6.04	6.2	6.51	5.5	5.36	5.1
PANARIAGROUP	1.48	DOWN	0.97	34.46		1.99	1.55	1.59	1.67	1.28	1.27	1.21
PRIMA INDUSTRIE	13.84	DOWN	8.66	37.43		15.24	14.6	14.98	15.73	13.42	10.66	10.15
SESA	33.85	UP	39.1	15.51		30.95	36.5	37.46	39.33	30.11	29.34	27.94
SOGEFI	1.28	DOWN	0.97	24.22		1.74	1.35	1.38	1.45	1.15	1.12	1.07
TERNIENERGIA	0.37	NEUTR					0.39	0.4	0.42	0.36	0.35	0.34
TINEXTA	11.48	NEUTR					12.78	13.11	13.77	11.02	10.6	10.1
TOSCANA AEROPORTI	17.1	UP	19.31	12.92		15.79	17.65	18.11	19.02	15.35	14.6	13.9
TRIBOO	1.52	DOWN	1.36	10.53		1.62	1.58	1.63	1.72	1.4	1.38	1.31
VALSOIA	10.4	DOWN	8.22	20.96		11.18	11.1	11.39	11.96	9.44	8.93	8.51
ZIGNAGO	10	UP	12.16	21.60		9.51	10.24	10.8	11.34	9.84	9.59	9.13

Source: Intesa Sanpaolo elaborations on Thomson Reuters data

Report priced at market close on day prior to issue (except where otherwise indicated)

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Methodology

This document has been prepared on the basis of technical analysis. Technical analysis is the study of market variables, such as price, pattern, frequencies, graphical configurations, volumes, movement dynamics, temporality and cyclical trends, volatility, and market psychology. The aim of the analysis is to evaluate the investment risk and probable future trend of the security being analysed. The analysis is based on historical series, requiring the maintenance of a database of each security. The analysis in this report is based on professional experience in the application of technical analysis. The information and signals are generated based on data obtained from sources deemed reliable and trustworthy. Past performance is not a guarantee of future results.

Trend:

The trend represents the change in direction of the financial instrument being analysed, which can be: bullish (UP), bearish (DOWN) or lateral/neutral (NEUTR). The trend is evaluated on the basis of historical data and there is no guarantee that the highlighted trend will continue in the future or will not change. As a result, the historical trend alone is not a reliable guarantee in respect of the future trend of the stocks being examined.

Target:

The target is a defined price level, calculated on the basis of objective mathematical models, towards which the stock is heading. The target can be modified once reached (or when market conditions change) to higher or lower price targets depending on the type of trend direction trade (UP or DOWN) according to the dynamics of the analysed stocks.

Upside:

The upside represent the difference in percentage terms between the closing market price and the target price.

Stress:

Stress is due to a strong movement in prices but in an exhaustion phase, a circumstance that is recorded by the technical analysis oscillators. A stress situation can appear randomly and can pave the way for an opposite movement. In particular, STR. UP (stress up) is an upswing movement that shows statistical excesses, where the start of a corrective movement is likely. STR. DW (stress down) is a downwards movement that shows statistical excesses and is the basis for an upswing reaction.

Contrarian:

The contrarian represents the target price in the case of a change in the trend (calculated by a trading system).

Resistance (RES1 – RES2 – RES3):

The resistance is the level where prices tend to find resistance going upwards. A breach of the resistance close to the last trade shown in the table can lead to further price rises. A possible breach of the closest opposition level (first resistance) could lead to a test of the next hurdle (second resistance). Resistance levels can be static (i.e. the level does not change with time) or dynamic (i.e. the level changes over time).

Support (SUP1 – SUP2 – SUP3):

The support is the level where prices tend to find support going downwards. A breach of the support closer to the last trade shown in the table can lead to further selling pressures. A possible breach of the closest to support level (first support) could lead to a test of the next floor (second support). Support levels can be static (i.e. the level does not change over time) or dynamic (i.e. the level changes over time).

Trading signals:

The trend signals (UP-DOWN-NEUTRAL) together with supports, resistances, stress and target prices (target and contrarian) are generated automatically by a system based on technical analysis' oscillators and indicators. The indications of trend, support, resistance, operating positions and price target are generated using algorithms. This technical summary is automatically updated according to the dynamics of the financial instrument analysed.

For the "Small & Mid Cap Basket" report, the last price traded on the market for each financial instrument is used. Thus, the base date for the short-term time horizon is updated every session and operating signals are generated by comparing the last market price with a predetermined level before the opening of each session.

The target represents the achievable goal within three weeks and should be considered indicative and not binding because, if breached, it can be modified upwards (or downwards for short positions) based on the dynamics of the object examined. This level is updated when the trend changes direction.

This approach is accompanied by statistical stress analysis. In detail, when the following labels appear in the 'Stress' column:

STR. UP (STRESS UP) we recommend reducing the bullish position (in the case of an uptrend) ahead of a potential intermediate downwards corrective movement or to start to sell (in the case of a downtrend);

STR. DW (STRESS DOWN) we recommend buying, taking a bullish position (in the case of an uptrend) or reducing the bearish position and monitoring the portfolio ahead of a potential intermediate rebound (in the case of a downtrend).

The combination of the Trend "UP" together with "STRESS DOWN" (end of the correction phase within an uptrend) and Trend "DOWN" with "STRESS UP" (end of a rebound within a downtrend) are signaled respectively with a continuous green and orange line, as they represent the best entry level.

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