

Equity

Small & Mid Cap Basket

Technical Indicators

Borsa Italiana Small & Mid Cap segment stocks in EUR/share

Issue	Close	Trend	Target	Upside	Stress	Contr.	1° RES	2° RES	3° RES	1° SUPP	2° SUPP	3° SUPP
ADB	8.200	↔					8.840	9.071	9.525	7.900	7.698	7.332
Aeffe	0.9020	↓	0.653	27.56		1.046	1.0180	1.0820	1.1361	0.8560	0.8342	0.7944
AlgoWatt	0.3710	↔					0.3980	0.4490	0.4715	0.3440	0.3352	0.3193
Avio	15.100	↑	18.33	21.39		14.27	15.70	16.64	17.47	13.48	13.28	12.65
Banca IFIS	8.790	↓	6.11	30.49		9.497	10.060	10.720	11.256	8.080	7.874	7.499
Banca Sistema	1.780	↔					1.8760	1.9250	2.0210	1.6640	1.6180	1.5410
Banca Finnat	0.230	↓	0.148	35.52		0.262	0.2500	0.2565	0.2694	0.2200	0.2144	0.2042
BE Shaping	1.136	↔					1.1880	1.2000	1.2600	1.0900	1.0200	0.9714
Biesse	14.150	↔					15.155	15.552	16.329	13.430	10.990	10.467
Cementir	6.180	↔					6.540	6.711	7.047	5.720	5.647	5.378
CLI	2.440	↔					2.590	2.660	2.793	2.330	2.271	2.162
COIMA RES	6.340	↓	5.62	11.36		6.669	6.660	7.440	7.812	5.780	5.633	5.364
d'Amico	0.093	↔					0.1050	0.1077	0.1131	0.0860	0.0830	0.0790
Datalogic	12.680	↓	7.91	37.62		14.48	13.380	13.730	14.417	11.010	9.980	9.505
Elica	2.545	↔					2.860	2.950	3.098	2.485	2.408	2.293
Esprinet	4.340	↔					4.545	4.664	4.897	4.020	3.815	3.633
Eurotech	4.580	↓	3.25	29.04		5.596	4.665	4.751	4.989	4.434	4.321	4.115
Fidia	2.670	↓	1.845	30.90		3.007	2.985	3.250	3.413	2.546	2.481	2.363
Fiera Milano	2.590	↓	2.22	14.29		3.249	2.830	3.275	3.439	2.240	2.183	2.079
FILA	8.070	↔					9.170	9.410	9.881	7.954	7.696	7.330
Giglio Group	2.600	↔					2.890	3.050	3.203	2.540	2.415	2.300
Guala Closures	6.660	↔					6.800	7.200	7.560	6.150	5.993	5.708
IGD	3.110	↓	2.69	13.50		3.697	3.300	3.580	3.759	3.020	2.935	2.795
Indel B	15.50	↔					16.35	17.80	18.69	15.05	14.67	13.97
Irce	1.4600	↓	1.171	19.77		1.522	1.520	1.560	1.638	1.410	1.345	1.281
Isagro	0.8920	↔					0.9460	0.9708	1.0193	0.8560	0.8342	0.7944
Juventus	0.9200	↓	0.475	48.37		0.949	1.0200	1.0467	1.0990	0.8600	0.8381	0.7982
La Doria	11.100	↑	12.35	11.26		10.34	11.500	11.801	12.391	10.220	9.959	9.485
LU-VE	12.200	↔					12.500	12.827	13.469	11.550	11.150	10.619
MARR	12.080	↔					13.34	14.32	15.04	11.87	11.57	11.02
MZBG	3.720	↔					3.800	4.390	4.609	3.664	3.571	3.401
Panariagroup	0.8690	↔					1.0340	1.0611	1.1141	0.8260	0.8049	0.7666
Prima Industrie	13.360	↔					13.70	13.90	14.60	12.70	12.38	11.79
SeSa	66.50	↑	71.28	7.19		53.45	67.51	69.28	72.74	64.90	58.30	55.52
Sogefi	0.9250	↔					0.9400	0.9646	1.0128	0.8350	0.8200	0.7810
Tinexta	18.000	↑	20.53	14.06		12.81	20.170	20.698	21.733	16.170	14.240	13.562
Toscana Aero.	13.800	↓	8.41	39.06		14.73	14.550	14.700	15.435	13.250	12.850	12.238
Triboo	1.180	↔					1.220	1.380	1.449	1.145	1.116	1.063
Valsoia	11.750	↔					12.200	12.519	13.145	11.250	10.700	10.190
Zignago Vetro	12.940	↑	15.96	23.34		11.71	14.260	14.680	15.414	12.147	11.837	11.273

Source: Intesa Sanpaolo elaborations on Thomson Reuters data

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Daily Report

Stress signals (1)

Stress UP

Stress DOWN

Major potential upside (2)

Upside

Avio Zignago Vetro

1) We highlight in the table when the stress signals on the stocks show an upswing in the "Stress" column.

2) In the table, we select those stocks that in the technical model represent a greater upside potential, determined as percentage of the price generated from the automated system in relation to the last closing price.

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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 correctly 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 truthful. 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 (↑), bearish (↓) or lateral/neutral (↔). 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 represents 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 (↑-↓-↔) 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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