

Figure 1: The Main Graph shows the MAs' movements.

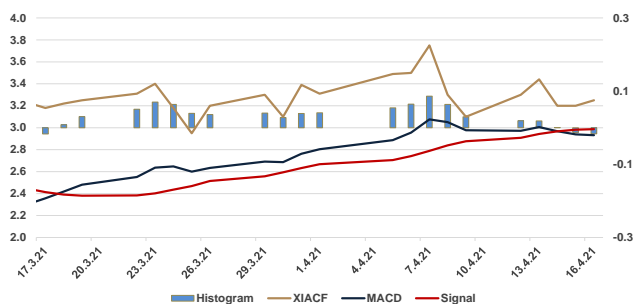


Figure 2: MACD indicates a potential sell signal

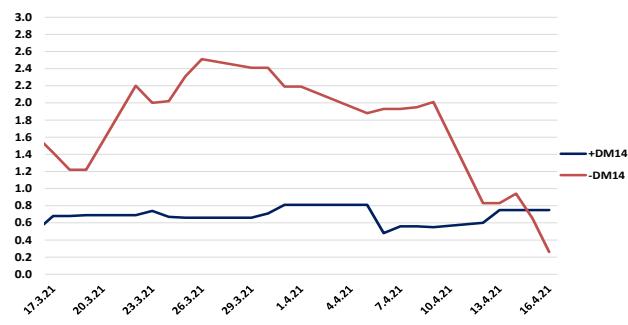


Figure 3: +DMI14 moved below -DMI14

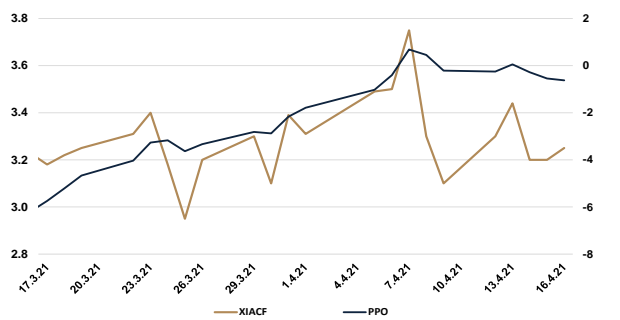


Figure 4: PPO below zero

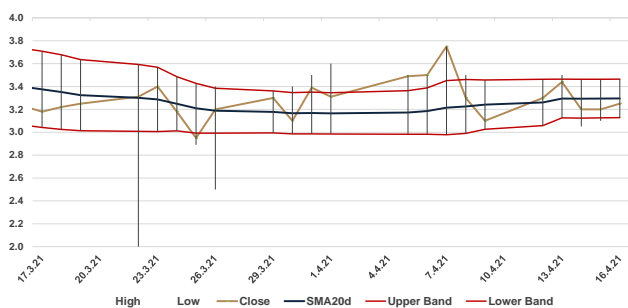


Figure 5: Bollinger Bands

### Firm's Brief Description

XIAOMI CORPORATION is a China-based investment holding company principally engaged in the research, development and sales of smartphones, Internet of things (IoT) and lifestyle products, the provision of Internet services, and investment business. The Company mainly conducts its businesses through four segments. The Smartphone segment is engaged in the sales of smartphones. The IoT and Lifestyle product segment is engaged in the sales of other in-house products, including smart televisions (TVs), laptops, artificial intelligence (AI) speakers and smart routers; ecosystem products, including IoT and other smart hardware products, as well as certain lifestyle products. The Internet service segment is engaged in the provision of advertising services and Internet value-added services. The Others segment is engaged in the provision of repair services for its hardware products. The Company distributes its products in domestic market and to overseas markets.

### Fundamental Approach

- Great Wall Motors denied a tie-up with Xiaomi for the development of an Electric Vehicle.
- Xiaomi rose costs due to a global extreme chip shortage.
- The company announced its international department president resignation.

### Technical Analysis

According to Figure 1, even though the MA 10 crossed above MA 20 at the end of March, the price of XIACF hasn't managed to cross either of the 2 MAs in the last few days providing uncertainty about the trend of the stock. In Figure 2, MACD crossed below the zero line through the examined period, indicating a bearish trend. Moreover, the -DMI14 was above the +DMI14 throughout the month, demonstrating a possible bearish momentum, as shown in graph 3. Additionally, the PPO in graph 4, was also below the zero-line indicating a sell signal. Lastly, as the fifth graph depicts, the price of the stock went close but didn't surpass the upper band, pointing out a sell signal as well.

### Prediction

Considering the recent stock trend combined with the latest news about the resignation of Xiaomi's international department president, a short position in the stock is recommended. This position is further supported by the technical analysis provided in the above paragraph, as the figures cited in this report show a bearish path of the XIACF stock.

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