

Figure 1: Stock graph indicates a potential buy signal

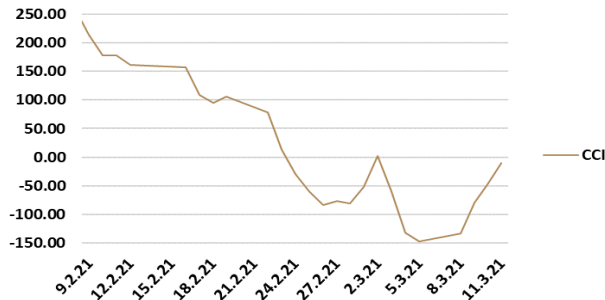


Figure 2: CCI

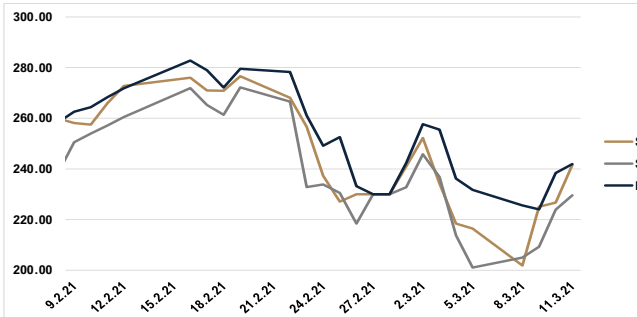


Figure 3: Support & Resistance Levels Chart

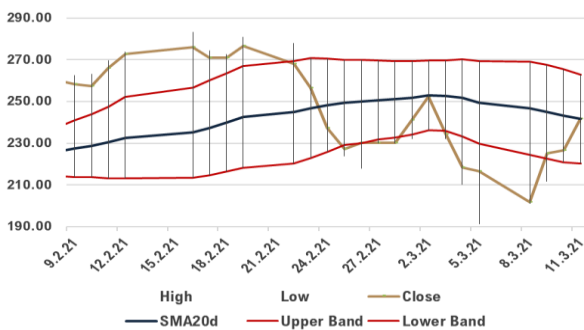


Figure 4: Bollinger Bands-close price cross above Lower Band

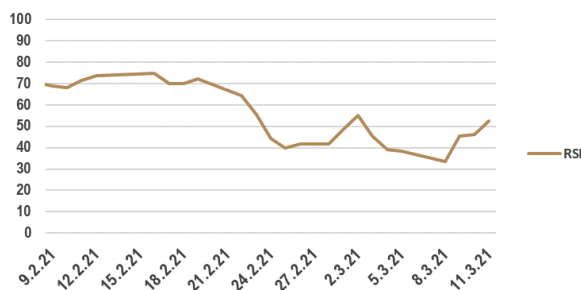


Figure 5: RSI

Firm's Brief Description

Square, Inc. (Square) is a commerce ecosystem. The Company enables its sellers start, run and grow their businesses. It combines software with hardware to enable sellers to turn mobile devices and computing devices into payments and point-of-sale solutions. Once a seller downloads the Square Point of Sale mobile application, they can take their first payment. With its offering, a seller can accept payments in person via magnetic stripe (a swipe), Europay, MasterCard, and Visa (EMV) (a dip), or Near Field Communication (NFC) (a tap); or online via Square Invoices, Square Virtual Terminal, or the seller's Website. Once on its system, sellers gain access to technology and features, such as reporting and analytics, next-day settlements, digital receipts, payment dispute management and chargeback protection, and Payment Card Industry (PCI) compliance. On the consumer (buyer) side, Square Cash offers individuals access to a way to send and receive money.

Fundamental Approach

- Square Inc acquired a majority stake in Tidal for \$297 millions, expanding the company in the music industry
- Square Inc reported a record-high number for 2020-Q4 earnings as well as the purchase of 3.318 bitcoins for future investments.
- The company announced its industrial bank completing the charter approval process with the FDIC.

Technical Analysis

According to the examined period (09.02.21-11.03.21) and figure 1, although the stock lied in the middle of a month full of fluctuations, SQ managed to cross over MA10 while steadily rising to the MA20, indicating a potential buy signal. Additionally, although CCI hit -150 level, figure 2 shows that the indicator returned to 0 level within a few days and it will surpass it. Support and Resistance levels were formed at 229.61 and 241.91 respectively and this may hold a buying opportunity and a "resistance-test", as an upwards reaction can be expected while the prices are moving up. Also, the stock price has crossed above the Lower Band generating a buy signal, as figure 4 depicts. Lastly, RSI fluctuated between 33-53 the last days, pointing to a buying position as it crossed back above 30 from below.

Prediction

Despite the high volatility of the stock, the short term signals combined with the strong fundamental background of SQ, give a positive forecast for the stock. As analysts we suggest a buy signal, while taking into consideration the high daily movements of the stock. This signal is further supported through the technical analysis, provided in the above paragraph.

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