

Figure 1: Stock graph shows the stock's trend

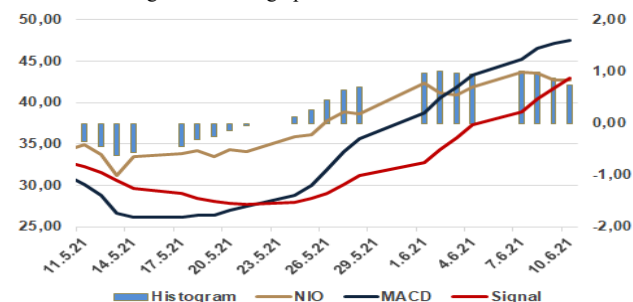


Figure 2: MACD shows a potential buy signal

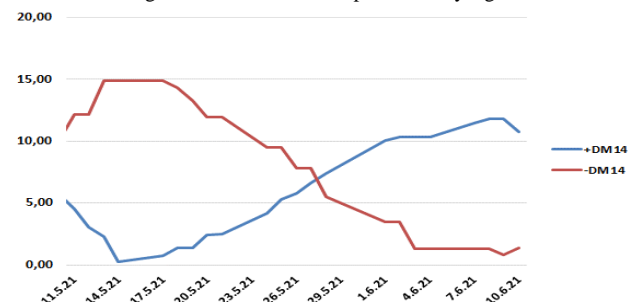


Figure 3: +DMI14 exceeded -DMI14

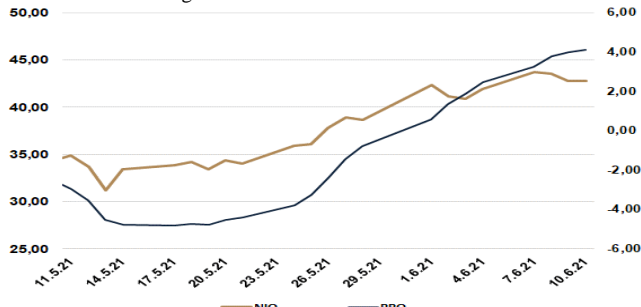


Figure 4: PPO crossed above the zero-line

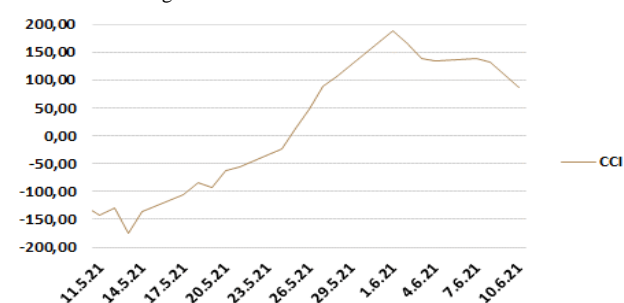


Figure 5: CCI surpassed the +100 barrier

Firm's Brief Description

Nio, Inc. designs, manufactures and sells smart and connected electric vehicles. It manufactures autonomous driving electric vehicles integrated with next generation technologies and artificial intelligence. It manufactures ES8, which is a seven-seated all aluminum alloy body electric sports utility vehicle (SUV). It is equipped with e-propulsion system which is capable of accelerating from zero to 100 km per hour in 4.4 seconds and delivering a New European Driving Cycle driving range of up to 355 Kilometers (km) and a maximum range of up to 500 km in a single charge. It is also focused on providing vehicle charging solutions, which include Power Home, Power Swap, Power Mobile and Power Express service. It also offers various value-added services to its users, such as statutory and third-party liability insurance and car damage insurance through third-party insurers, repair and routine maintenance services, courtesy car during lengthy repairs and maintenance and roadside assistance.

Fundamental Approach

- Nio has launched its branch in Norway and plans to start selling cars in the country, marking its first step overseas.
- Nio delivered 6,711 vehicles in May 2021, increasing by 95.3% YoY. Also, maintains its delivery guidance of 21,000 to 22,000 vehicles in the second quarter of 2021
- Nio announced renewal of joint manufacturing arrangement until May 2024 with JAC and Jianglai. JAC will expand its annual production capacity to 240,000 units in order to meet the growing demand for Nio vehicles.

Technical Analysis

During the examined period (11/05 – 10/06) Nio stock rose tremendously by 22.63%. According to Figure 1, on May 28th the 10-day MA crossed above the 20-day MA providing a potential buy signal. In Figure 2, on May 24th MACD surpassed the signal line and grown sharply indicating a bullish trend. Additionally, +DMI14 surpassed the -DMI14 on May 28th demonstrating a bullish trend. Also, the PPO had an uptrend during the reporting period, resulting in a fluctuation above the zero line. Lastly, CCI transcended the +100 barrier at the end of May pointing out a buy signal as well, as the fifth graphs depicts.

Prediction

Considering the recent uptrend of the stock despite the global chip shortage that disrupted its business in May combined with the outlook of sales for the 2nd quarter and the expansion plans on the Old Continent, we recommend a long position. This position is further supported through the technical analysis that is provided in the above paragraph, as the figures cited in this report show a bullish path of the NIO stock.

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