

Figure 1: Stock graph shows the up trend

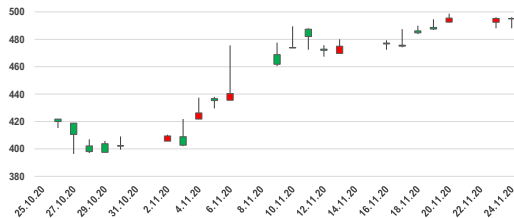


Figure 2: Candle chart shows the surplus of positive changes

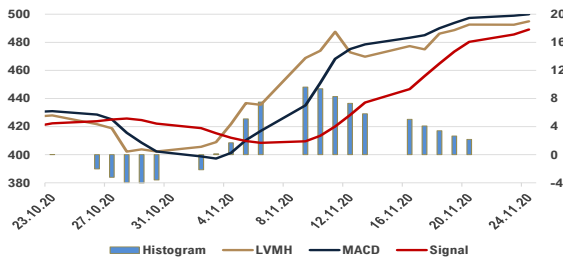


Figure 3: MACD shows a potential buy signal, positive indicator

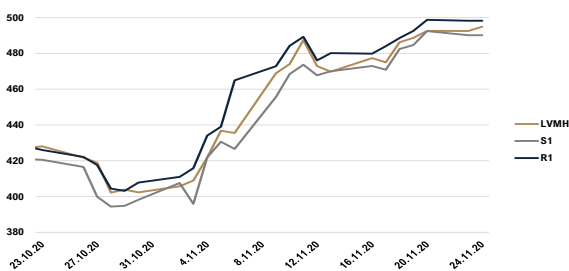


Figure 4: Shows the resistance and support levels

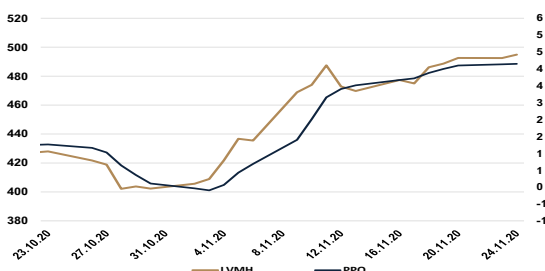


Figure 5: PPO is moving above zero-level

Firm's Brief Description

LVMH Moët Hennessy Louis Vuitton SE is a France-based luxury group active in six sectors: Wines and Spirits, Fashion and Leather Goods, Perfumes and Cosmetics, Watches and Jewelry, Selective Retailing and Other Activities. Wines and Spirits owns brands, such as Moët & Chandon, Krug, Veuve Clicquot, Hennessy and Chteau d'Yquem, among others. Fashion and Leather Goods owns brands, such as Luis Vuitton, Christian Dior, and Givenchy, among others. Perfumes and Cosmetics owns brands, such as Parfums Christian Dior, Parfums Givenchy Guerlain, Benefit Cosmetics, Fresh and Make Up For Ever, among others. Watches and Jewelry owns brands, including TAG Heuer, Hublot, Zenith, Bulgari, Chaumet and Fred, among others. Selective Retailing owns the brands DFS, Miami Cruiseline, Sephora and Le Bon Marche Rive Gauche, among others. Other Activities includes lifestyle, culture, and the arts brands, such as Les Echos, Royal Van Lent, and Cheval Blanc. The Company is active worldwide.

(Source Reuters)

Fundamental Approach

- LVMH agreed to acquire Tiffany & Co at a lower price, ending the rivalry between the two luxury brands.
- Newly acquired Tiffany & Co outperformed revenue estimates, due to surging sales in China.
- Signs of recovery are depicted in increased Q3 results, in contrast to Q2.
- Louis Vuitton along with Christian Dior display strong resilience with their rapid recovery.

Technical Analysis

According to Figure 1, there is an uptrend at the examined period (from 23/10/20 – 24/11/20). There were four (4) secondary movements. As the graph depicts, MA10 is moving above MA20 indicating a potential buy signal. Figure 2 shows the candle bars. There is a surplus of positive ones. Moreover, in the third graph, MACD has crossed the zero-line level providing a buy signal. In the 4th Figure the support (S1) and resistance (R1) levels are formed at 490.15 and 498.25, respectively. Finally, Figure 5 presents the PPO indicator, which is positive, recommending a buy signal as well.

Prediction

The potential buy signals are derived from both technical and fundamental approaches. The recent acquisition of Tiffany & Co combined with the above expectation revenue that the acquired performed, including the technical indicators, will thrust investors to number the share among their portfolios.

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