

Figure 1: The Main Graph shows the stock's trend.

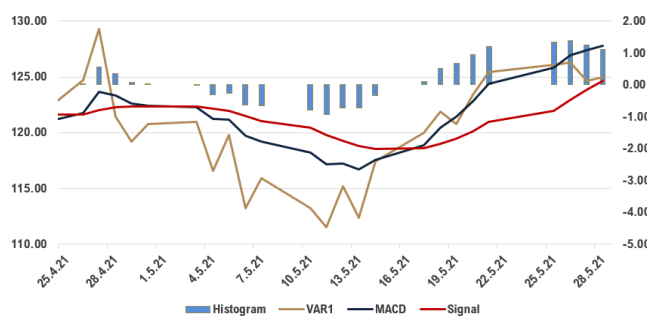


Figure 2: MACD indicates a potential buy signal

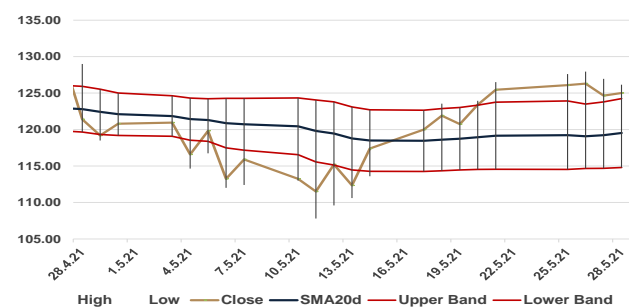


Figure 3: Stock above the upper band



Figure 4: Candle Bar shows more positive changes

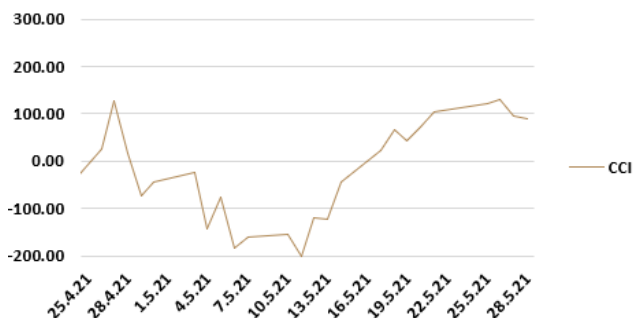


Figure 5: CCI Indicator is above + 100 level

Firm's Brief Description

Varta AG is a Germany-based company engaged in the administration of its former property. Its activity is mainly focused in the management of its own assets, in particular the sale and liquidation of individual assets, contracts, liabilities and shareholdings relating to the business areas previously managed by the Company itself and its subsidiaries, specially the manufacture and sale of VARTA batteries, including the administration of assets acquired or held in this respect. The Company's majority shareholder is ETV Holding AG with 94.82% of its interest.

Fundamental Approach

- Varta's Q1 report showed revenue growth 2.9% from € 198.5 to € 204.3 compared to the same period of the previous year.
- Household Batteries revenue increase by 3.4% from € 79.7 million to € 82.4 million.
- In the Lithium-Ion Solutions & Microbatteries segment rose from € 118.7 million to € 121.9 million in the 2021, a revenue growth of 2.7% compared to the previous year.

Technical Analysis

According to Figure 1, the 10-day MA crossed above the 20-day MA providing a potential buy signal. In Figure 2, MACD crossed above the signal indicating a bullish trend of the stock. In figure 3, the stock surpassed the upper band depicting a strong incline. Moreover in the Candle Chart, there are two secondary movements in the examined period, from 29/4/2021 – 11/5/2021 there is a down-trend and from 12/5/2021 – 28/5/2021 there is a strong uptrend that provides a bullish trend. Lastly, CCI indicates a buy signal as well at it hit the +100 level.

Prediction

Considering the recent stock trend combined with the latest news about Varta's continued market growth and expansion which leads to positive business development, a long 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 bullish path of the VAR1 stock.

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