

Figure 1: Stock graph shows the stock's trend

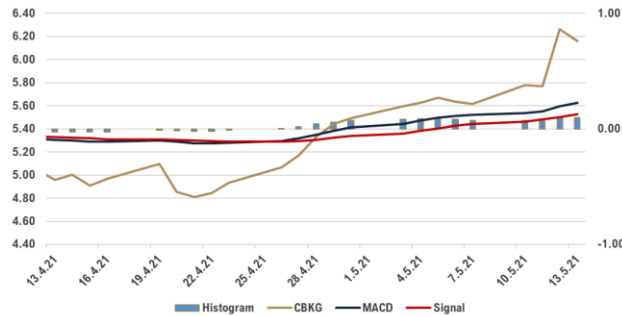


Figure 2: MACD indicates a potential buy signal

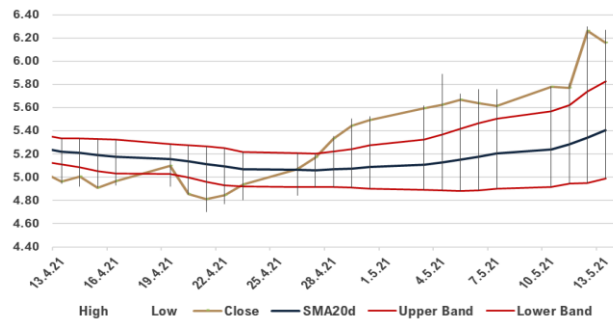


Figure 3: Bollinger Bands

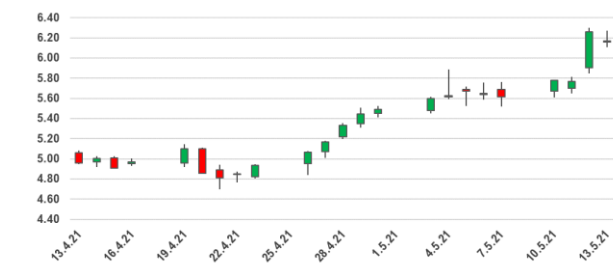


Figure 4: Candle Bar Chart

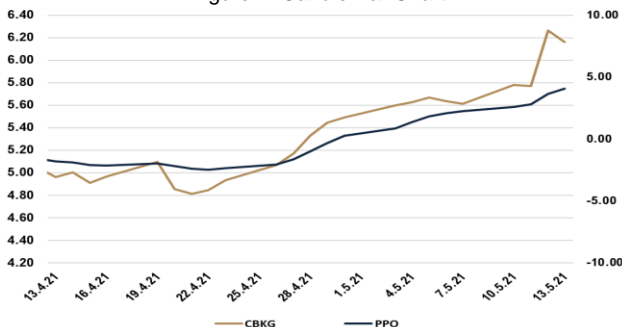


Figure 5: PPO above the zero line

Firm's Brief Description

Commerzbank is a Germany-based international commercial bank with branches and offices in nearly 50 countries. The Bank's two business segments Private and Small-Business Customers and Corporate Clients offer a portfolio of financial services to their customers' needs. The Bank offers its sector expertise to its corporate clients in Germany and abroad and is a provider of capital market products. Its subsidiary mBank in Poland is a digital bank. The integration of Comdirect enables Commerzbank to combine the services of Germany's online banks with a personal advisory offering at local level. The Bank serves private and small-business customers nationwide and corporate clients, multinationals, financial service providers, and institutional clients worldwide. Its Polish subsidiary mBank S.A. operates in Poland, but also in the Czech Republic and Slovakia.

Fundamental Approach

- Revenue soared 35% in the 1-Q from strong trading and investment banking conditions. That drove the net income to \$161 million.
- The bank benefited from an increase in net commission income in the quarter, while a 126 million-euro benefit from the European Central Bank's.
- In strategy 2024, Commerzbank aims to gain cost savings of €1.4 billion by 2024.

Technical Analysis

According to Figure 1, the 10-day MA crossed above the 20-day MA providing a strong buy signal. In Figure 2, MACD crossed above the signal line indicating a bullish trend. Furthermore, BolBands supported the bullish trend as the stock price crossed above the upper band. In the 4th figure, the Candle Bar chart showed the majority of positive days providing a strong uptrend. Last but not least, a strong buy is also supported by the PPO which crossed above the zero line during the examined period.

Prediction

Considering the strong bullish trend of the stock combined with the positive momentum in the last days, a potential buy signal is recommended. This prediction is further supported by the news regarding the Commerzbank AG profit on a new turnaround strategy which boosted CBGK's profitability and by the technical analysis provided in the paragraph above.

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