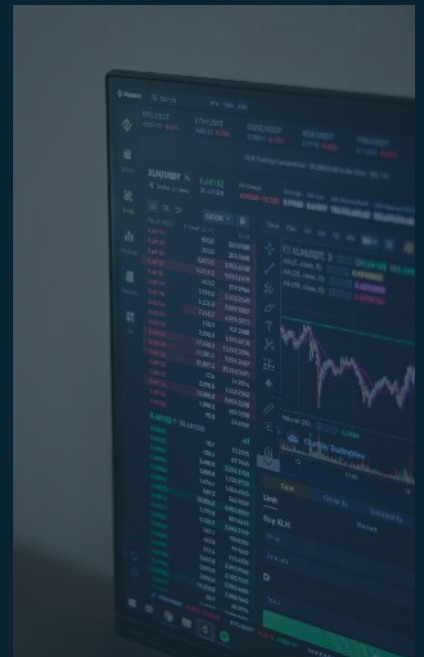


# Chart-in-Focus

December 2023

## Embracing Promising Technical Setups in 2024

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## Chart-in-Focus: Embracing Promising Technical Setups in 2024

Welcome to the latest edition of "Chart-in-Focus" where we delve into the exciting realm of stock market opportunities and unveil two stocks with promising technical setups poised to make waves in 2024.

Global equities have drawn the year to a close on an extremely buoyant note. The key indices have put on considerable gains throughout the year. Looking at the Year-to-date performance, the NASDAQ Composite Index has returned a whopping 44.52%, while the S&P 500 and Dow Jones Industrial Average have returned 24.73% and 13.74% respectively during the same period.

### 3M Co. (Symbol: MMM)

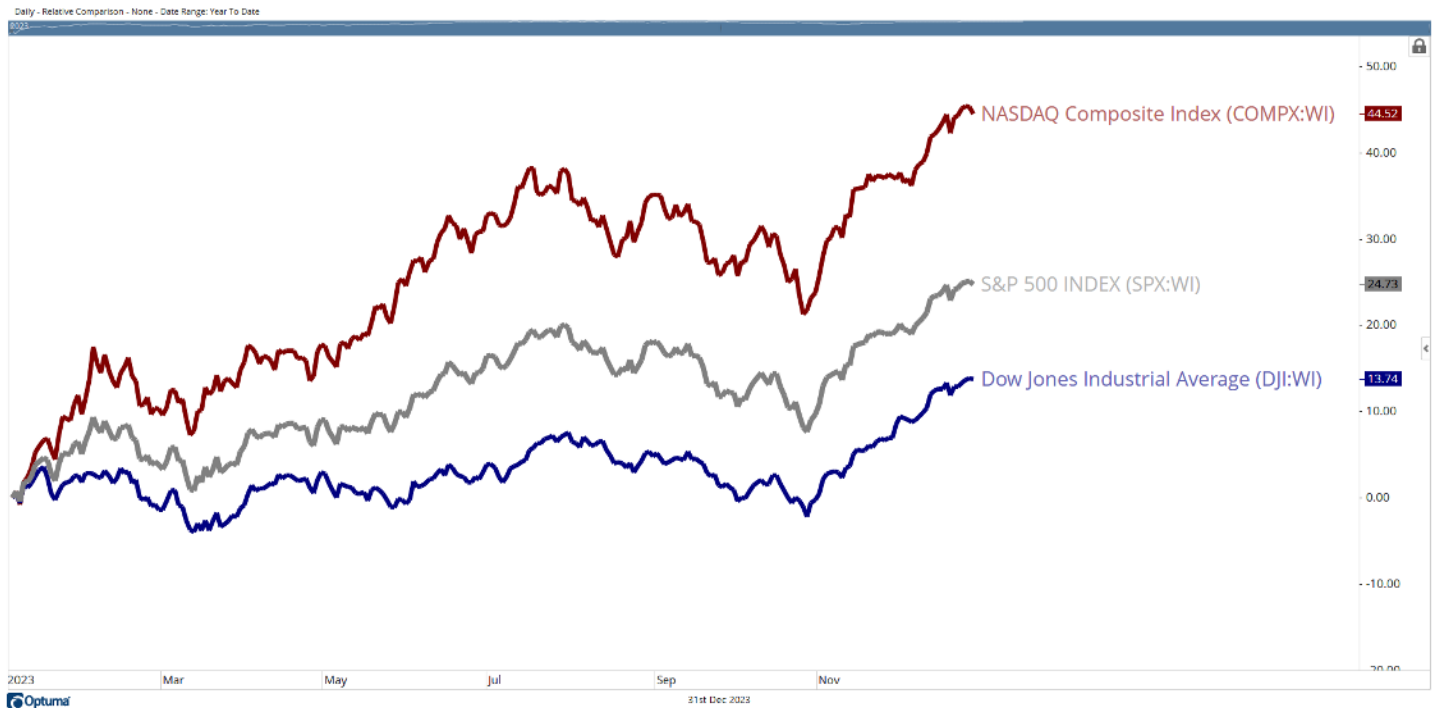
3M Co. is a technology firm that produces a range of industrial, safety, and consumer goods. Its operations are divided into distinct segments: Safety and Industrial, Transportation and Electronics, Health Care, Consumer, and Corporate and Unallocated. The Safety and Industrial segment encompasses personal safety, industrial adhesives and tapes, abrasives, closure and masking systems, electrical markets, automotive aftermarket, and roofing granules. The Transportation and Electronics segment involves electronics, automotive and aerospace, commercial



solutions, advanced materials, and transportation safety. In the Health Care sector, the company offers medical and surgical supplies, skin health and infection prevention products, oral care solutions, separation and purification sciences, health information systems, inhalation and transdermal drug delivery systems, and food safety products. The Consumer segment encompasses consumer

healthcare, home care, home improvement, and stationery and office products, including consumer bandages, braces, supports, respirators, cleaning products, retail abrasives, picture hanging, and consumer air quality solutions. The Corporate and Unallocated segment refers to special items and other corporate expenses-net. Established in 1902 by Henry S. Bryan, Hermon W. Cable, John Dwan, William A. McGonagle, and J. Danley Budd, the company is headquartered in St. Paul, MN.

Since reaching its immediate peak at 205 in May 2021, MMM has experienced a decline of over 58.16%. Furthermore, from the peak observed at 259 in January 2018, the stock has depreciated by more than 66%.



Despite witnessing a notable recovery in recent weeks, MMM has demonstrated a relatively weaker performance compared to the broader S&P500 Index. While the S&P500 achieved a 24.23% year-to-date gain, MMM has posted negative returns of (-8.40%). Nonetheless, the current technical configuration suggests a potential trend reversal. Since reaching its immediate peak at 205 in May 2021, MMM has experienced a decline of over 58.16%. Furthermore, from the peak observed at 259 in January 2018, the stock has depreciated by more than 66%.



Upon conducting a pattern analysis of MMM, the price action indicates compelling signals of a reversal in its upward trajectory. The stock has successfully broken out of a falling channel formed over the past twelve months. Within this falling channel, MMM consistently formed lower lows, while the Relative Strength Index (RSI) exhibited a robust bullish divergence against the price. This divergence, wherein the RSI did not mirror the lower lows of the price, laid the groundwork for a potential bottom. The recent breakout from the falling channel has substantiated this potential bottom, accompanied by a notable crossing above the 50-week Moving Average (MA) at 102.45. Positioned within the improving quadrant of the Relative Rotation Graph (RRG) when benchmarked against the broader S&P500 Index, MMM may exhibit enhanced relative performance against the market. The weekly Moving Average Convergence Divergence (MACD) is bullish and remains above its signal line. Foreseeing an upward continuation, the stock presents an opportune addition to the portfolio. With the technical setup indicating a potential move towards the 140 levels, this implies an anticipated price appreciation of 27% from the current levels. However, it is crucial to note that any close below 80 would negate this optimistic view.

## JPMorgan Chase & Co. (Symbol: JPM)

JPMorgan Chase & Co. operates as a financial holding company, specializing in the provision of financial and investment banking services. The company offers a diverse range of investment banking products and services across all capital markets. This includes providing advice on corporate strategy and structure, facilitating capital raising in both equity and debt markets, managing risks, engaging in market making for cash securities and derivative instruments, and offering brokerage and research services. JPMorgan Chase & Co. is organized into distinct business segments, namely Corporate and Investment Bank (CIB), Consumer and Community Banking (CCB), Commercial Banking (CB), and Asset and Wealth Management (AWM). The CIB segment delivers a comprehensive suite of investment banking, market-making, prime brokerage, and treasury and securities products to a global clientele consisting of corporations, investors, financial institutions, governments, and municipal entities. The CCB segment serves consumers and businesses through various channels, including bank branches, ATMs, online, mobile, and telephone banking. The CB segment provides comprehensive financial solutions, encompassing lending, wholesale payments, investment banking, and asset management products tailored for middle market banking, corporate client banking, and commercial real estate banking. The AWM segment focuses on delivering investment and wealth management services. Established in 1968, JPMorgan Chase & Co. is headquartered in New York, NY.



The analysis of technical charts for JPM indicates a positive outlook. The stock's performance has been in line with the broader markets, with the S&P500 index gaining 24.73% on a year-to-date basis, while JPM slightly outperformed by delivering a return of 25.89%. Upon scrutinizing the pattern analysis of JPM, it suggests the possibility of an extension in the current upward trend. Following the peak of 172.96 in October 2021, the stock experienced a corrective decline, slipping below crucial moving averages, including a violation of the 200-week MA. However, a technical rebound commenced from October 2022 levels, leading to the formation of a significant symmetrical triangle. During the formation of this technical pattern, JPM also experienced a Golden Crossover, characterized by the 50-week MA crossing above the 200-week MA. More recently, the stock broke out of the symmetrical triangle formation. Although the RSI has reached a new 14-period high and is mildly overbought, it remains neutral without displaying any divergence against the price. The weekly MACD maintains a bullish stance and stays above the signal line. The Relative Strength (RS) Line has broken out from a formation, ascending above its 50-period MA. Positioned within the leading quadrant of the Relative Rotation Graph (RRG), JPM is poised to continue its relative outperformance compared to the broader markets. According to classical price measurement implications, JPM has the potential to reach 215 levels in the coming year. This implies a potential price appreciation of 26.50% from the current levels. It is important to note that any close below 145 would invalidate this technical setup.

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