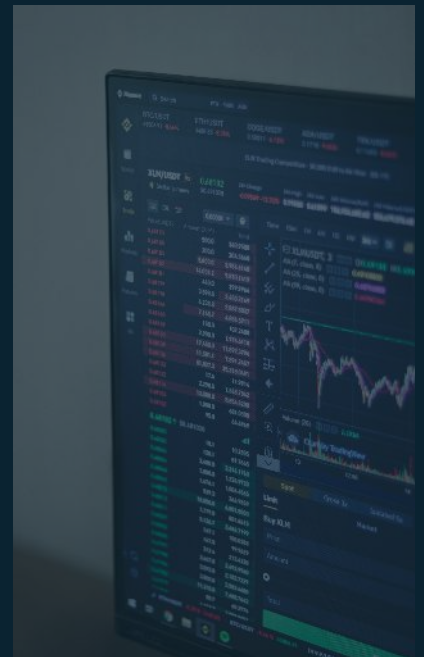


Chart-in-Focus

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Streaming Beyond Boundaries

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Chart-in-Focus: Spotify Technology, (SPOT) (NYSE)

In October's Chart-in-Focus, we spotlight a streaming giant that has recently tested the resilience of a multiyear double-top resistance level. After years of consolidating near this critical juncture, the stock has shown renewed strength, making a bold attempt to break out beyond its established highs. While a short-term consolidation phase may still occur, this strong breakout attempt signals the potential for sustained upside, paving the way for what could be a multiyear bullish trend. Investors should watch closely as the stock positions itself for a significant technical milestone in the streaming sector.

Spotify transformed the landscape of music consumption with its launch in 2008, bringing a dynamic and personalized listening experience to users worldwide. By pioneering the shift to digital streaming, Spotify established itself as a central platform in the audio world, forever changing how listeners engage with their favorite music.

Building on this foundation, Spotify ventured into podcasting, sparking new innovations and attracting a diverse



audience to this rapidly growing medium. The company's expansion continued in 2022 with the addition of audiobooks, marking its entry into another high-potential market and broadening its reach across different audio formats.

Today, Spotify offers an unparalleled selection of content, with over 100 million music tracks, 6 million podcast titles, and 350,000 audiobooks available for users to explore. As the world's leading audio streaming subscription service, Spotify connects a global community of 626

million users, including 246 million subscribers, across more than 180 markets, solidifying its status as the premier destination for audio content.

Spotify Technology (SPOT) (NYSE)



SPOT has maintained a strong uptrend over the past year, which began when it broke above the \$160-165 range in October of the previous year. Since then, the stock has continued to trend upward, frequently finding intermittent support at its 50-day moving average (DMA), reinforcing the strength of its current trajectory. After a brief period of consolidation, SPOT now appears well-positioned to resume its upward movement within this robust trend.

Over the past 12 months, SPOT has delivered a remarkable performance, significantly outpacing the broader SPX index. While the SPX has gained 39.98% over this period, SPOT has soared by an impressive 140.51%. This outperformance is also evident on a year-to-date basis, with SPOT up 107.22%, compared to a 22.98% increase in the SPX. These returns underscore SPOT's considerable momentum and resilience, reflecting its firm standing relative to broader market benchmarks.

SPOT remains in a strong uptrend; looks at moving higher following brief consolidation.



Weekly Chart of Spotify Technology (SPOT) (Nasdaq)

On the weekly chart, SPOT reveals a compelling technical setup. After reaching a high of \$387 in March 2021, the stock entered a corrective decline, ultimately hitting a low of \$72 in December 2022. During this period, SPOT established a solid base between May and December 2022, where a notable bullish divergence emerged between the Relative Strength Index (RSI) and price movement. This divergence occurred as the stock's price formed lower lows while the RSI charted higher lows, signaling a potential reversal. As anticipated, the trend shifted, and SPOT recently tested its previous high of \$387, resulting in a classic double-top formation.

Looking ahead, SPOT may experience some range-bound consolidation; however, it holds strong potential for a multi-year breakout if it successfully surpasses the \$390-398 resistance levels. The technical indicators remain supportive: RSI has reached a new 14-period high and resides in overbought territory, while the MACD remains bullish. Additionally, SPOT is positioned within the leading quadrant on the Relative Rotation Graph (RRG), suggesting continued outperformance. While minor pullbacks are possible, an anticipated breakout could propel the stock towards the \$445-460 range in the months ahead, making SPOT an attractive candidate for portfolio accumulation on any dips. However, a close below \$350 would invalidate this setup, necessitating caution.

In conclusion, SPOT exhibits a strong technical foundation, with a resilient uptrend supported by key indicators such as RSI and MACD and the potential for a multi-year breakout above the \$390-398 range. Positioned in the leading quadrant of the RRG, the stock shows continued strength relative to the broader market, making it a promising addition for accumulation on pullbacks. While some consolidation may occur, SPOT's technical setup suggests an upward trajectory toward \$445-460, provided it maintains its current support levels and avoids a close below \$350.

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