

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

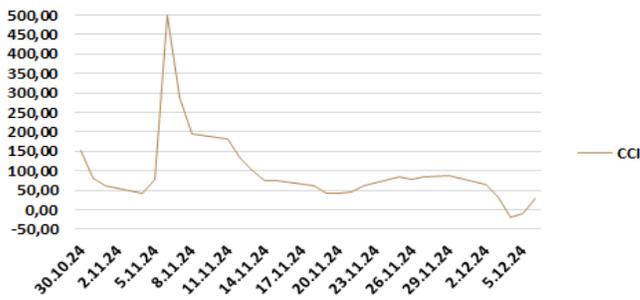


Figure 2: CCI at a balanced position

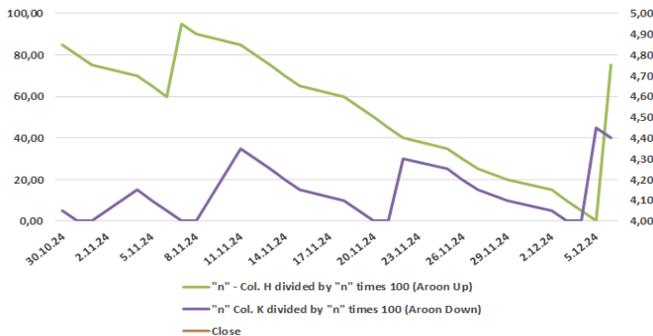


Figure 3: Aroon Indicator shows a buy signal

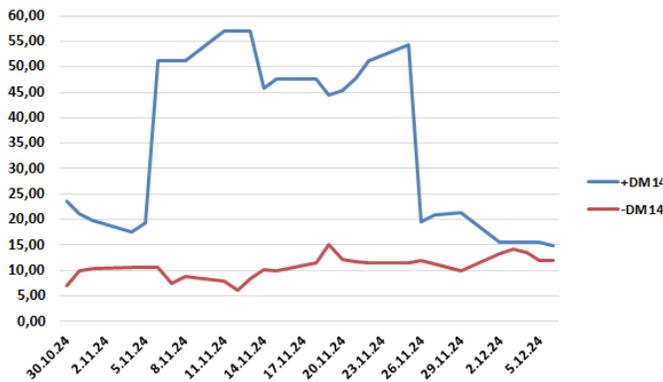


Figure 4: DMI positive line is above the negative line

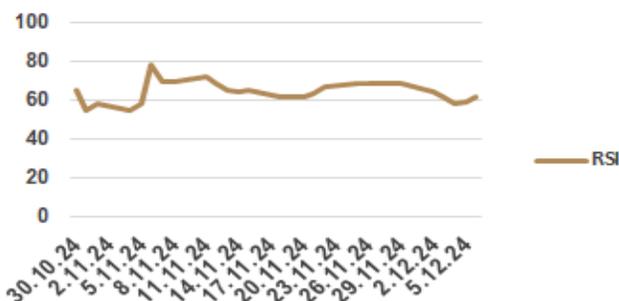


Figure 5: RSI is near 70

Firm's Brief Description

Discover Financial Services is a leading U.S. financial institution that delivers innovative digital banking services and payment solutions. It has two main divisions: Digital Banking and Payment Services. The first focuses on offering a range of products, including Discover-branded credit cards for individuals, home loans, and various deposit options such as savings accounts. Additionally, it manages the Diners Club International network, which issues charge cards and supports global card acceptance, while also handling transaction processing and settlement services.

Fundamental Approach

- Trump Victory Seen as Positive for DFS and Capital One Merger Trump's election is perceived as positive for the merger of DFS with Capital One, boosting investor confidence and favorable regulation.
- Discover Financial Services reaches all-Time high of \$179.13, indicating that the company is on a strong growth trajectory.
- Discover's Earnings Surge by 15.5%, indicating a healthy financial condition and growth potential.

Technical Analysis

According to Figure 1, the main graph is showing us that the price of the stock manages to bounce back of 20 MA making a solid support level and enhancing the buying pressure. Moving to the 2nd Figure CCI (Commodity Channel Index) suggests the stock has good upward momentum, although some weakening could occur if resistance holds. Looking at the 3rd Figure, the Aroon Indicator shows the Aroon Up line is consistently higher than the Aroon Down line, which is a good sign for buyers. In Figure 4 the positive DMI line is above the negative DMI line, showing that buyers are stronger than sellers. Lastly, Figure 5 shows the RSI close to 70, signaling strong buying sentiment, but also potentially borderline approaching the overbought territory.

Prediction

Altogether, these indicators suggest that the stock is in a strong uptrend, making it a good candidate for buying, but we should keep an eye on the overbought levels.

DISCLAIMER

THE FINANCE CLUB OF UNIVERSITY OF MACEDONIA, THESSALONIKI, GREECE

The Finance Club of University of Macedonia - www.financeclub.gr is an independent non-profitable student organization founded by students of the University of Macedonia, Greece (UoM - www.uom.gr) that aims to build strong relations between the market and the University. Though based in the University of Macedonia, it also operates via associates in Aristotle University of Thessaloniki, Greece and other institutions. The Club's goal is to give its members the chance to view the market in a more practical approach rather than solely relying on the abstract knowledge offered by the university. In order to achieve this goal, the Club organizes various events like conferences, workshops and seminars. Moreover, its members are able to cooperate with companies by taking up real case projects to work on along with the managers of the associated companies. In addition, the Club is trying to build and expand its network among students, market professionals and professors therefore giving its members a very broad pool of potential partners and employers.

This report has been compiled by the authors mentioned above and published by them via the Finance Club UoM site and many other platforms. The club confirms that the authors are active members at the time this article is published but emphasizes the fact that opinions and views given by the authors in this article are their own views. Finance Club UoM takes no responsibility for the completeness or correctness of information provided. No investment advice is given with the text above and the reader should not take any financial position based on the information published in this article. The Club recommends extensive research by the reader before investing in any financial asset. General this report may be based on the information extracted from various sources including but not limited to various companies' and statistical agencies' websites, online portals, third-party research, annual reports etc. No representation or warranty of any kind is or may be made with respect to the accuracy or completeness of, and no representation or warranty should be inferred from, any projections or futuristic statement contained herein or any underlying assumptions. This article may include descriptions, statements, estimates and projections/futuristic statements with respect to current and anticipated performance of the underlying. Such statements, estimates and projections reflect various assumptions and best estimates made by the participants concerning anticipated results, whose assumptions and estimates may or may not prove to be accurate or correct. There are no assurances whatsoever that any statements, estimates or projections contained in this article, including without limitation any financial or business projections, accurately present in all material respects the underlying's financial and/or business position as of the respective dates specified and the results of its operations for any respective periods indicated. No copyright or trademark infringement is intended in any form.

© Copyright 2020. Finance Club UoM