

Moovly Media's chart moves in mysterious ways

written by InvestorNews | October 12, 2022

Is the recent move seen in Moovly Media's chart trying to tell us something?

Sometimes a chart can tell you things that fundamentals may not. Although it can also be a bit like reading tea leaves – not exactly an accurate science and possibly complete rubbish. You never know until after the fact, and by then you've either missed the boat or perhaps you've had your head handed to you depending on how committed you were to your convictions. Nevertheless, we are going to have a look at a chart with some unusual recent activity in the absence of any official news (I don't surf the chatrooms, so it's possible someone is trying to turn this into a meme stock of sorts) and speculate what may or may not be going on.

The chart we are going to have a look at today is [Moovly Media Inc.](#) (TSXV: MVY | OTCQB: MVVYF), the leading provider of creative cloud-based tools used to tell marketing, communications and training stories using videos and video presentations. With clients including users from over 300 of the Fortune 500, small businesses, freelancers and Ivy league universities, Moovly is an intuitive, cost-effective choice for DIY creation of engaging video-based content.

The background for what we are about to review is that Moovly has been light on corporate press releases. Today [it had news](#) announcing the "Moovly E-Commerce Video Maker", an addition to its suite specifically aimed at online sellers. Previously it issued a [press release on Aug 4, 2022](#) (which wasn't super significant in my opinion), and the latest financial information

released by the Company was Aug 29 when they issued their quarterly results for the period ending June 30, 2022. This is why the activity over the last seven trading days (since September 30) have attracted my attention. It appears there is nothing obvious in the public domain to explain the previous five day double in the stock price.



Source: StockCharts.com

Three things jump out at me when looking at this chart. First, as noted, the stock doubled over a span of 5 days, although perhaps that isn't so unusual given it happened previously at the beginning of June. However, the June move corresponded with [news](#) that could be construed as significant and beneficial for Moovly's stock – the signing of a Global Partnership Agreement with Bayer AG, the German multinational pharmaceutical and life sciences company and one of the largest pharmaceutical companies in the world. The latest move happened in the complete absence of any corporate press releases or updates.

Second is the volume of the most recent rally. Unlike the move in June that corresponded with a press release, October 4 saw over 3 million shares traded, more than 4x the volume traded the day of the Bayer AG news. This is also 22x the average daily volume traded for Moovly, which is a huge deviation from the norm. Albeit the absolute dollar value of the trade isn't huge in the context of the overall market (approx. C\$330K), it's still a pretty big bet being placed by someone, or several someones.

Third is the stock move relative to what was happening in the general market over the same period. You may have heard the expression, "a rising tide lifts all boats". However, in this situation, the S&P 500 was setting new 1 year lows (at the time)

on September 29 and 30, which is when the Moovly rally appears to have begun. The macro market saw a bit of a 'dead cat bounce' on Monday (Oct 3) and Tuesday (Oct 4), which I'm sure benefitted the rise in Moovly's share price on those days, but then the S&P 500 resumed its downward travels culminating in a fresh new 52 week low yesterday. On the flip side, Moovly continued to gain strength all the way until yesterday when it finally got a little oversold in the short term (see the RSI indicator at the top of the chart) and had its first down day in 14 trading days, and on very small (below average) volume.

What does this all mean? I can't say for certain. All I know is that there is some unusual (technically quite bullish) activity that is seemingly inexplicable by anything that I can see in the public domain. Is it random or is something going on? Today's press release of a niche addition to their software suite was not particularly highly anticipated or market-moving news, shown by the fact that the market didn't react to it. What I do know is, based on the last quarterly results, Moovly Media is probably getting close to running low of working capital, unless revenue has increased dramatically or debt lines have been increased. Either of those could be perceived as positive developments, potentially explaining the recent stock price move. In the meantime, we watch and wait for what happens next for this C\$21 million market cap media company.

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