

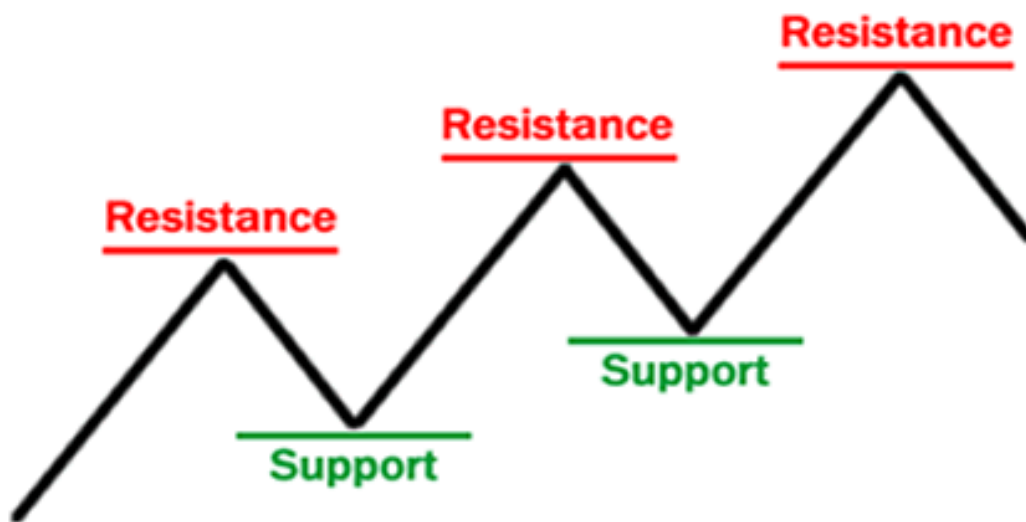


E-BOOK :  
**SPECIAL EXPLAINATION**  
**"SNR /RBS/SBR"**

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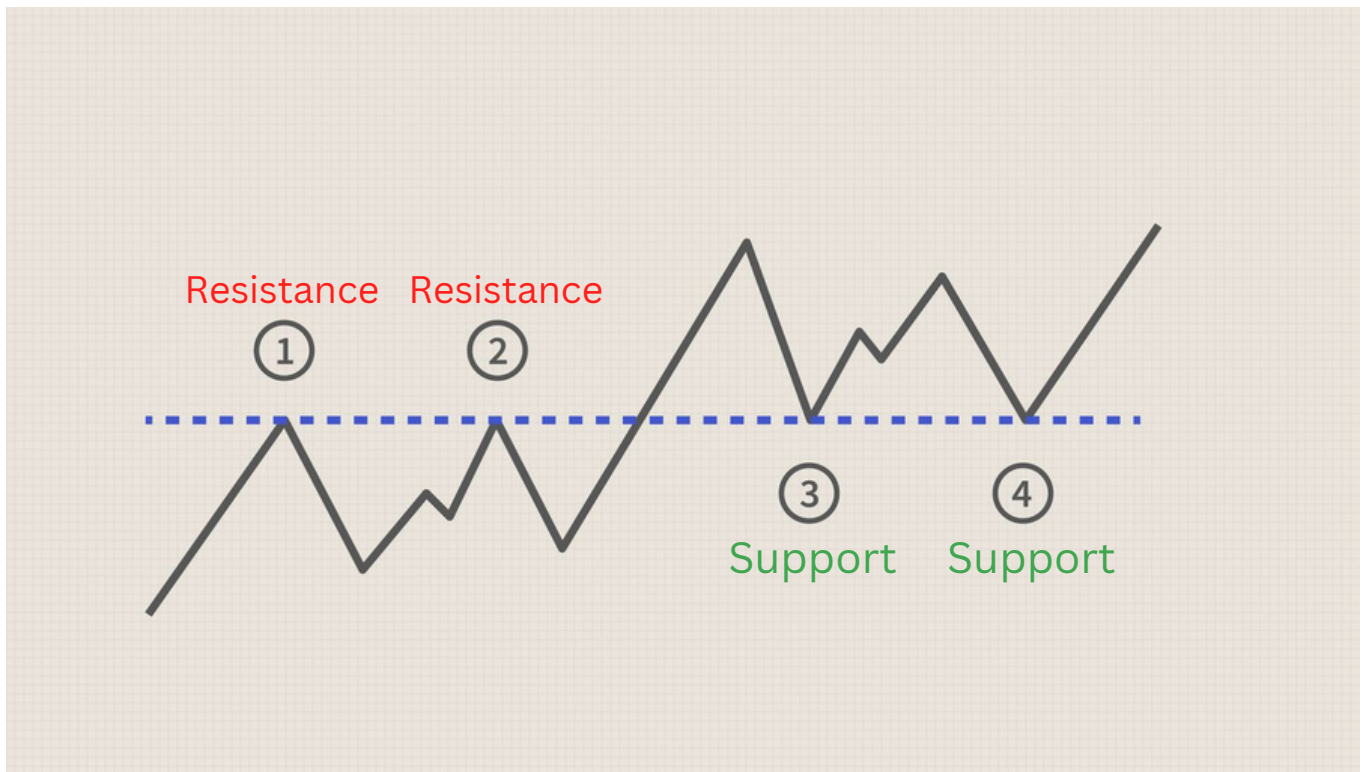
# Explanation of Support and Resistance :

1 . **Support** and **Resistance** Levels: Support and resistance are key concepts in technical analysis used to identify potential price levels in the financial markets.



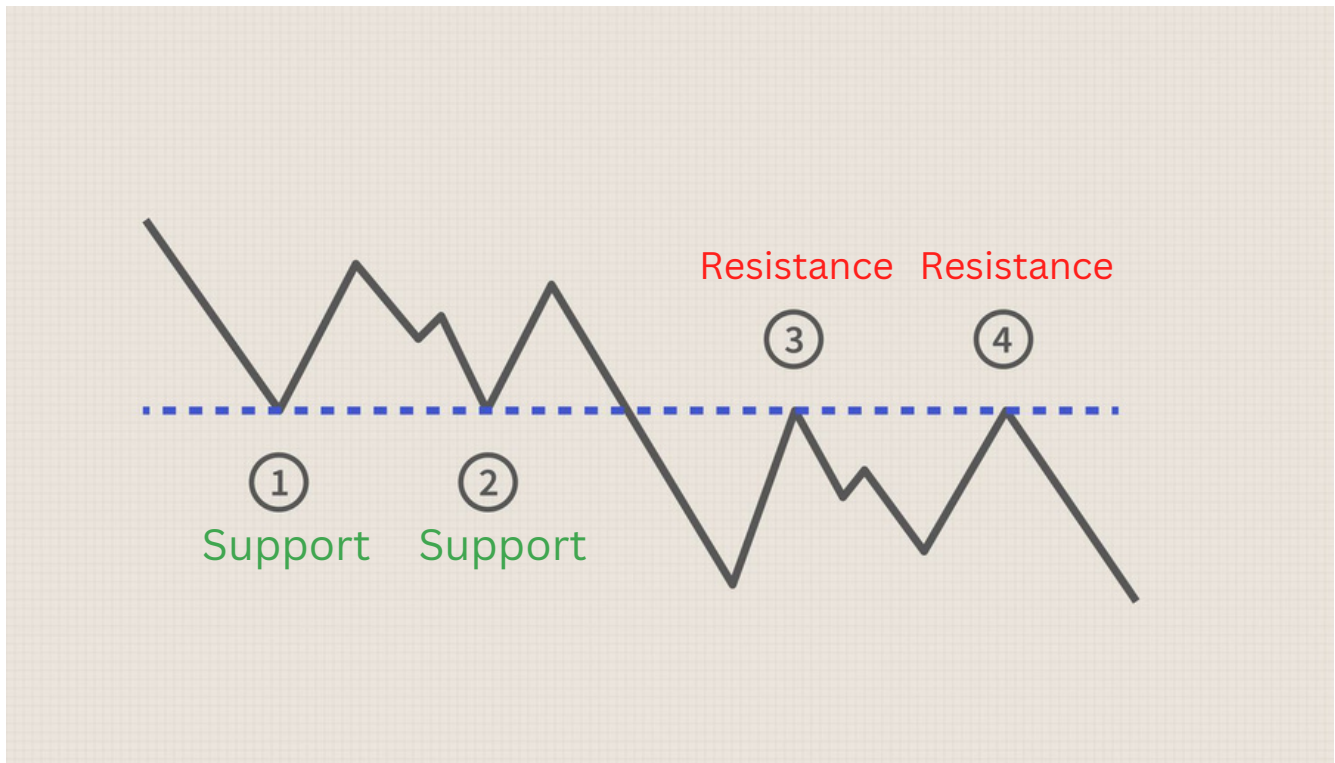
- **Support** : A **support level** is a price level where **buying** pressure is expected to be **strong** enough to prevent or reverse a further **decline** in the price of an asset.
- **Resistance**: A **resistance level** is a price level where **selling** pressure is expected to be **strong** enough to prevent or reverse a further **rise** in the price of an asset.

# Explanation of Resistance Become Support :



- **Resistance** becoming **support** refers to a previously **strong resistance** level that, once broken, may act as a new **support level** in the future. **Traders** see this as a shift from **bearish** sentiment to **bullish** sentiment.
- After the **breakout**, traders often observe that the previous **resistance level**, which has now been breached, may later act as a **support level**. Market participants who missed the initial **breakout** may look to enter **buy orders** near the previous **resistance-turned-support level**, expecting it to hold and potentially push the **price higher**.

# Explanation of Support Become Resistance :



- **Support** becoming **resistance** occurs when a previously **strong support level**, once broken, may act as a **new resistance level** in the future. Traders view this as a shift from **bullish sentiment** to **bearish sentiment**.
- After the **breakout**, traders may notice that the former **support level**, which has now been breached, could potentially act as a **resistance level** upon a subsequent rally attempt. Market participants who missed the initial breakdown might consider **entering sell orders** near the previous **support-turned-resistance level**, expecting it to hold and potentially push the **price lower**.



# In Summary\_:

- **Support** is a **price level** where **buying** pressure is expected to prevent further **price decline**.
- **Resistance** is a **price level** where **selling** pressure is expected to prevent further **price rise**.
- **Resistance** becoming **support** describes a broken **resistance level** that may act as a **new support level**.
- **Support** becoming **resistance** describes a broken **support level** that may act as a **new resistance level**.

*" Remember to use support and resistance levels in conjunction with other technical analysis tools and indicators for more informed trading decisions. "*