



TECHNICAL TUESDAYS

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1. SOUTH AFRICA 40 INDEX



SOUTH AFRICA 40 INDEX

- South Africa 40 cash index has found support on the initial target (45850) from the wedge formation (dotted red lines)
- The previous weeks guidance remains the same in that the wedge formation favours short-term weakness with 45850 providing the initial downside target, a break of which further favours a move towards key support at 45050
- The price trading above wedge resistance at 46750 would consider the failure of the short-term bearish indications implied by the wedge formation
- The L, H and R? on our chart highlights the possibility of a larger head and shoulders reversal pattern forming, which would near completion should the lower wedge target be realised



2. HIGHS & LOWS

SHARES | 52 WEEK HIGHS

Brait SE
Raubex Group
Sanlam Ltd
Rengro
Iliad Africa

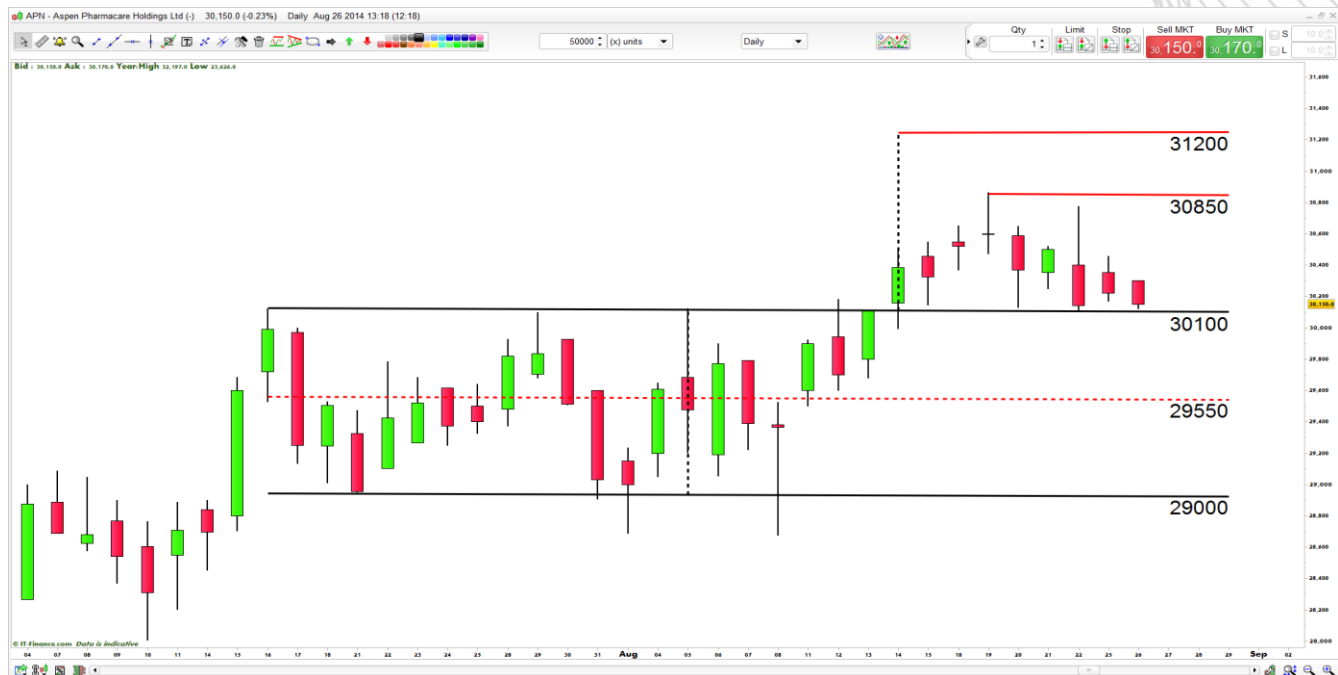
SHARES | 52 WEEK LOWS

Impala Platinum

3. CONSOLIDATED PATTERNS TO WATCH

ASPEN PHARMCARE HOLDINGS LTD (Daily chart)

Aspen has broken out of the trading range between levels 29000 and 30100. Since the initial breakout, the price has returned to find support on previous resistance of the range at 30100. This marks the first pullback since the price has indicated a renewed upward directional intent, providing a possible entry opportunity for breakout traders who missed the initial move. The recent high at 30850 provides the near-term target favoured, a break of which further favours a move towards 31200. The 31200 target is derived by projecting the height of the pattern from the breakout level. Should the price close below the midpoint of the range at 29550 it would suggest failure of the bullish considerations.





SAPPI LTD (Daily chart)

The price of Sappi has broken out of a triangle consolidation, and looks to be continuing the preceding uptrend. Aggressive breakout traders may have already found long entry, while more conservative traders would wait for a retracement towards the 4200 level for entry. The recent high at 4650 provides the initial target favoured, a break of which further favours a move to 4720. The 4720 target is derived by projecting the height of the triangle consolidation from the breakout level. The price trading below triangle support at 4090 would indicate failure of the bullish indication.



SIBANYE GOLD LTD (Daily chart)

Sibanye Gold Limited is currently reversing the support of the range between levels 2430 and 2800. The reversal off support is accompanied by a positive divergence with the Stochastic oscillator (blue lines). These indications are considered bullish in the near-term and the resistance of the range provides the favoured target at 2800, while a close below support at 2430 would consider the failure thereof.





4. MARKET OVERVIEW

Key Indicators

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
S&P 500	Up	Sideways	Up	Increasing	Overbought
South Africa 40	Sideways	Sideways	Up	Decreasing	Neutral
USD/ZAR	Sideways	Sideways	Sideways	Flat	Neutral
Spot Gold	Sideways	Sideways	Sideways	Flat	Oversold

Banks

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Barclays Africa	Sideways	Up	Up	Decreasing	Neutral
FirstRand	Sideways	Up	Up	Flat	Neutral
Nedbank	Sideways	Sideways	Up	Decreasing	Neutral
Standard Bank	Down	Sideways	Up	Decreasing	Neutral

Financial

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Discovery	Up	Up	Up	Flat	Neutral
Investec (inl)	Sideways	Sideways	Up	Increasing	Neutral
Investec (inp)	Sideways	Sideways	Up	Increasing	Neutral
Liberty Holdings	Up	Up	Up	Flat	Neutral
Old Mutual	Down	Down	Up	Decreasing	Neutral

Food Retailers

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Pick 'n Pay	Down	Down	Up	Flat	Neutral
Shoprite	Down	Down	Sideways	Flat	Oversold
Spar	Sideways	Sideways	Up	Flat	Neutral

Retailers

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Compagnie Richemont	Sideways	Down	Sideways	Decreasing	Neutral
Foschini	Sideways	Sideways	Up	Flat	Neutral
JD Group	Down	Down	Down	Increasing	Neutral
Mr Price	Sideways	Up	Up	Flat	Overbought
Steinhoff	Down	Down	Up	Decreasing	Neutral
Truworths	Sideways	Sideways	Down	Flat	Neutral
Woolworths	Down	Sideways	Up	Decreasing	Neutral

Construction

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Aveng	Sideways	Sideways	Down	Decreasing	Neutral
Group Five	Up	Up	Down	Decreasing	Overbought
M & R	Sideways	Sideways	Down	Increasing	Neutral
WBHO	Up	Up	Down	Increasing	Neutral



4. MARKET OVERVIEW CONTINUED...

Telecomms

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
MTN	Up	Up	Up	Flat	Overbought
Vodacom	Up	Down	Up	Increasing	Overbought
Telkom	Up	Up	Up	Decreasing	Neutral

Gold

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Anglogold	Sideways	Sideways	Up	Flat	Oversold
Goldfields	Up	Up	Up	Increasing	Overbought
Harmony	Sideways	Up	Sideways	Flat	Oversold

Platinum

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Angloplat	Sideways	Sideways	Up	Decreasing	Neutral
Impala	Sideways	Down	Down	Increasing	Oversold
Lonmin	Down	Down	Down	Flat	Oversold
Northam	Down	Sideways	Up	Increasing	Neutral

Resources

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
African Rainbow	Down	Down	Down	Decreasing	Oversold
Anglo American Plc	Down	Up	Up	Decreasing	Oversold
BHP Billiton	Down	Sideways	Up	Flat	Oversold
Exxaro	Up	Up	Sideways	Flat	Neutral
Kumba	Sideways	Sideways	Down	Flat	Oversold
Sasol	Sideways	Sideways	Up	Decreasing	Neutral

Industrials

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Aspen	Up	Sideways	Up	Flat	Neutral
Barloworld	Sideways	Down	Up	Flat	Neutral
Bidvest	Sideways	Sideways	Up	Decreasing	Neutral
Imperial	Sideways	Sideways	Sideways	Decreasing	Neutral
Naspers	Up	Up	Up	Decreasing	Neutral
Remgro	Up	Up	Up	Increasing	Overbought
Reunert	Sideways	Sideways	Down	Increasing	Neutral
SABMiller	Sideways	Down	Up	Decreasing	Overbought
Tigerbrands	Sideways	Sideways	Up	Decreasing	Overbought