



TECHNICAL TUESDAY

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1. SOUTH AFRICA 40 INDEX



SOUTH AFRICA 40 INDEX

- The SA40 cash index has reversed off support (also downside breakout level) at 45350 and formed a bullish engulfing candle pattern
- The price has also broken the downward trend line before coming back to retest the level
- The stochastic has now also crossed out of oversold territory
- These indications are short-term bullish and a rebound is favoured in the short-term
- Traders might consider the tentative resistance target at around 46500 followed by 46900
- A close below 45350 would consider the failure thereof and a downside breakout would be assumed
- Should the downside breakout occur, the next level of support is considered at 44450



2. HIGHS & LOWS

SHARES | 52 WEEK HIGHS

There are no highs this week

SHARES | 52 WEEK LOWS

Hulamin Ltd
Aveng Ltd
Tiger Brands Ltd
Nampak Ltd
Illovo Sugar Ltd
Grindrod Ltd
Tsogo Sun Holdings Ltd
Coronation Fund Managers Ltd

3. EQUITIES IN FOCUS

MONDI LTD (Daily chart)

Mondi Ltd has now experienced its first pullback from an all-time high providing a possible swing trading opportunity. The share price is showing a positive divergence with the stochastic oscillator, which is also starting to move out of oversold territory. These indications are short-term bullish and a retest of the recent high at 28375 is favoured. A close below gap support at 24600 would consider the bullish indications to have failed.





3. EQUITIES IN FOCUS CONTINUED...

ASPEN PHARMACARE HOLDINGS LTD (Daily chart)

Aspen looks to have ended the short-term downswing, as alluded to by the bullish engulfing candle pattern (circled blue) and the price trading back above the dotted trend line. The Stochastic has crossed out of oversold territory supporting the price action. A move to retest resistance at 38990 is favoured, while a close below support at 34340 would consider the failure of the bullish indications.



MMI HOLDINGS LTD (Daily chart)

MMI Holdings has corrected to horizontal support and looks to be reversing off this level at present. The stochastic oscillator is moving out of oversold territory supporting the bullish price reversal. A rebound towards resistance (previous support) at 3150 is favoured, while a close below support at 2860 would consider the failure of the bullish indications.





4. MARKET OVERVIEW

Key Indicators

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

Banks

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

Financial

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

Food Retailers

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

Retailers

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

Construction

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



4. MARKET OVERVIEW CONTINUED...

Telecomms

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
MTN	Down	Down	Sideways	Increasing	Oversold
Vodacom	Down	Down	Sideways	Decreasing	Oversold
Telkom	Down	Down	Up	Increasing	Oversold

Gold

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Anglogold	Down	Down	Down	Decreasing	Oversold
Goldfields	Down	Down	Down	Flat	Oversold
Harmony	Down	Down	Down	Decreasing	Oversold

Platinum

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

Resources

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

Industrials

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