



## TECHNICAL TUESDAY

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Shaun has worked in financial markets for over seven years, and previously ran IG's KZN branch before moving to Johannesburg.

As market analyst, he presents our CFD trading seminars around the country. In addition, Shaun is a regular commentator on the local financial markets, contributing to various media (such as CNBC Africa and Business Day) and writing daily and weekly market reports. He is a registered person as well as Certified Market Technician (CFTE).



You can follow Shaun on Twitter at [@ShaunMurison](#) for regular market updates and insight.

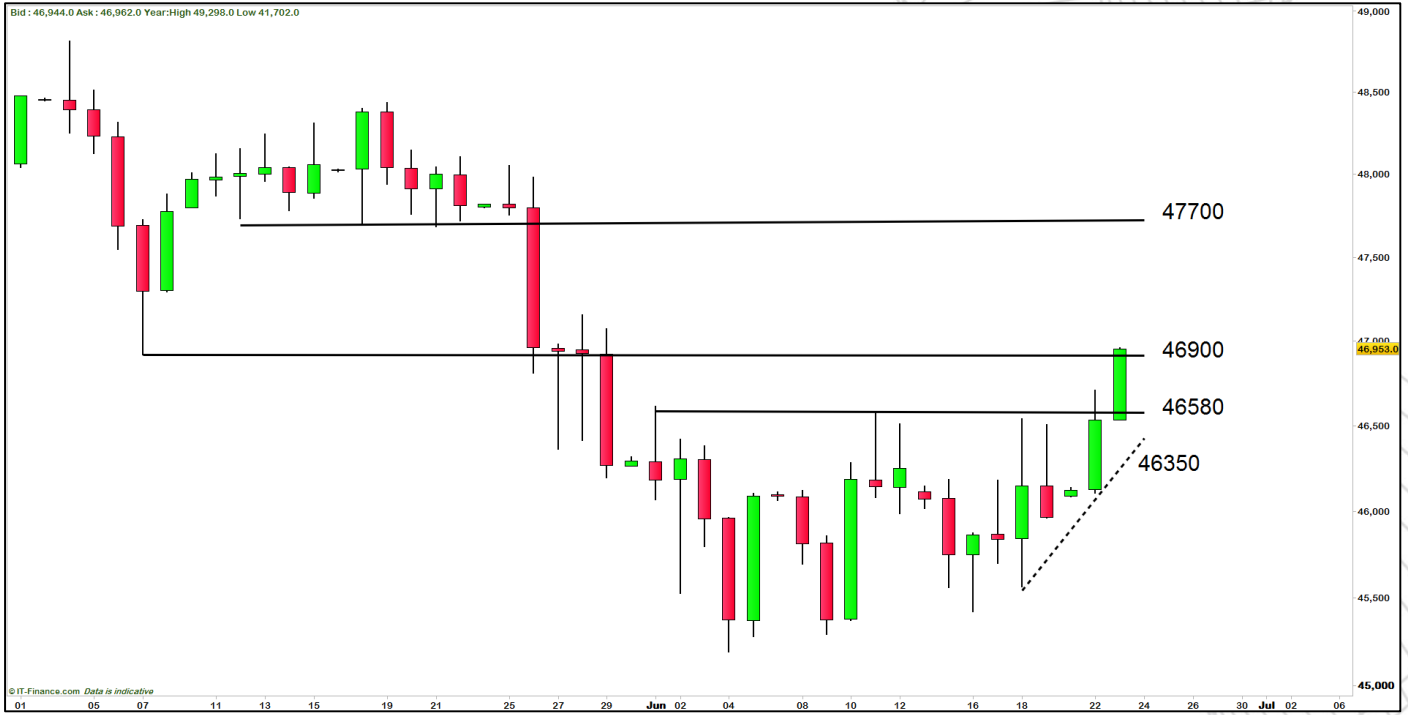
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# 1. SOUTH AFRICA 40 INDEX



## SOUTH AFRICA 40 INDEX

- The SA40 cash index has finally reached the upside resistance target at 46900 and is now attempting to further break the level at present
- The short-term trend bias now appears firmly up
- Should the index price manage to close above resistance at 46900, the next upside target favoured is 47700
- Breakout traders may still consider a pullback (should it occur) to 46580 buyable targeting a move back to 46900
- Traders that are already long may consider a close below trend line support (currently at 46350) as a trailing stop level



## 2. HIGHS & LOWS

### SHARES | 52 WEEK HIGHS

Peregrine Holdings Ltd

### SHARES | 52 WEEK LOWS

SacOil Holdings Ltd  
Grindrod Ltd  
ArcelorMittal South Africa Ltd  
New Gold Platinum ETF  
Pan African Resources Plc  
Wilson Bayly Holmes-Ovcon Ltd  
Aquarius PLatinum Ltd  
Hospitality Property Fund Ltd  
Aveng Ltd  
Keaton Energy Holdings Ltd

## 3. EQUITIES IN FOCUS

### ADCOCK INGRAM HOLDINGS LTD (Daily chart)

Adcock Ingram has broken out of an inverse head and shoulders formation labelled L, H and R on the chart. The pattern warns of a reversal of the downtrend, which preceded the pattern. The height of the pattern projected from the breakout level at 5000 arrives at an upside target of 5435. A price close below the right shoulder (Labelled R) at 4795 would consider the failure of the reversal pattern.





### 3. EQUITIES IN FOCUS CONTINUED...

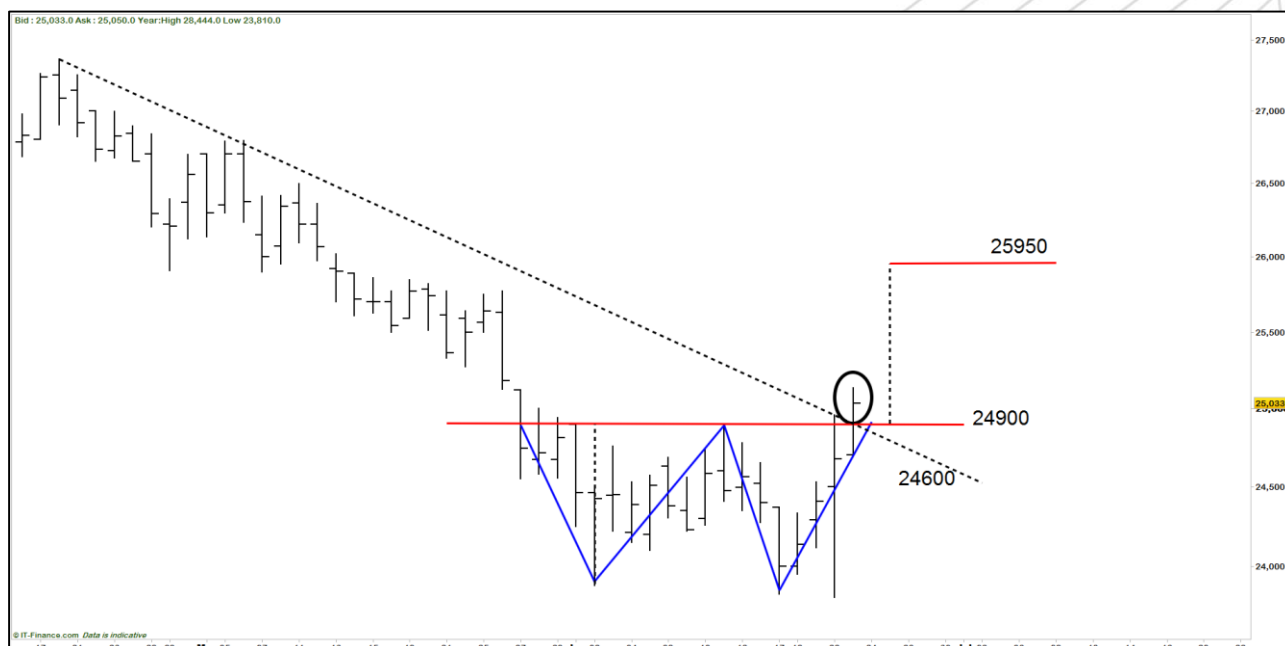
#### AECI LTD (Daily chart)

After the recent sharp decline on the share price of AECI Holdings, the price looks to be reversing off horizontal support. At the same time, we see the stochastic starting to move out of oversold territory, supporting the price action. With this in mind, a rebound from the preceding decline is considered and resistance at 12000 is the favoured target. A failure in the anticipated rebound would be considered should the price close below the recent low at 11000.



#### REMGRO LTD (Daily chart)

The price of Remgro looks to be breaking out of a double bottom formation (blue W below 24900). The pattern warns of the preceding downtrend now starting to reverse back up. The height of the pattern projected from the breakout area arrives at an upside target of 25950. A price close below trend line support at 24600 would consider the failure of the bullish indication.





## 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	Flat	Overbought
USD/ZAR	Sideways	Up	Up	Flat	Oversold
Spot Gold	Sideways	Sideways	Down	Flat	Neutral

### Banks

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

### Financial

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

### Food Retailers

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

### Retailers

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

### Construction

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



## 4. MARKET OVERVIEW CONTINUED...

### Telecomms

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

### Gold

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

### Platinum

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

### Resources

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

### Industrials

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