



TECHNICAL TUESDAY

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SHAUN MURISON

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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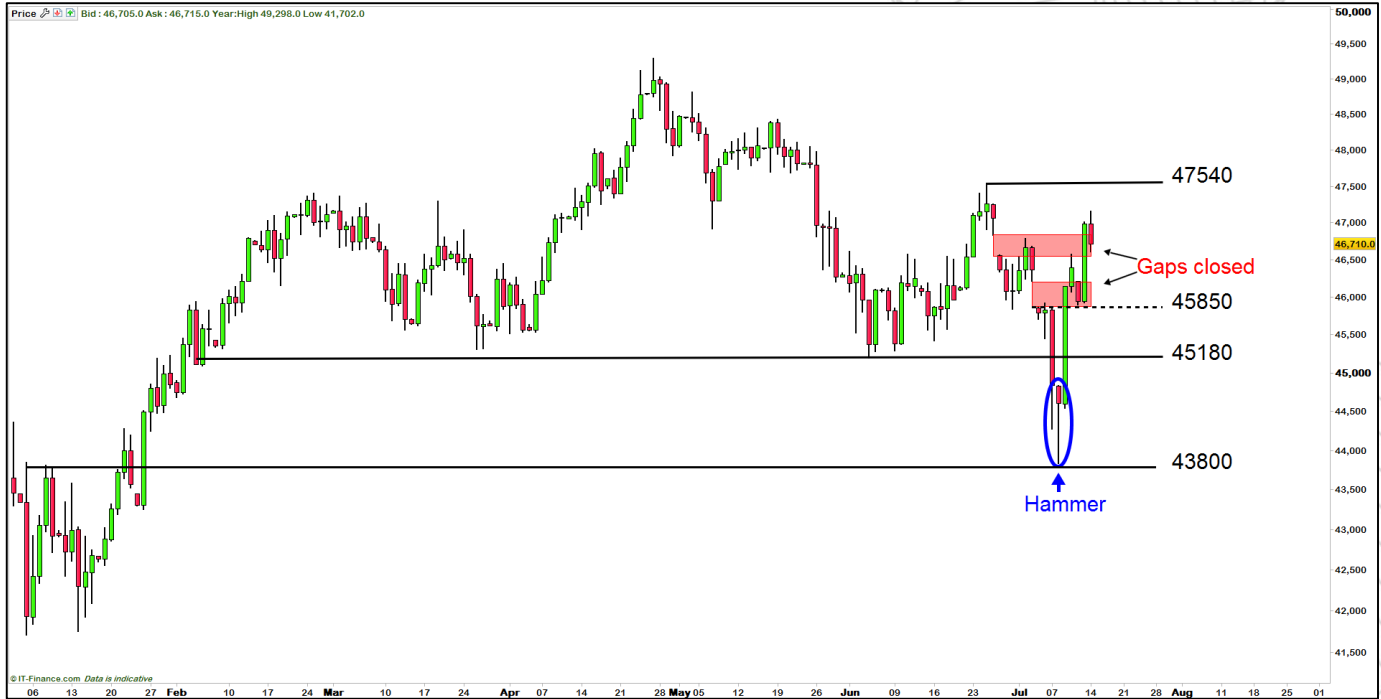
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1. SOUTH AFRICA 40 INDEX



SOUTH AFRICA 40 INDEX

- The South Africa 40 cash index is currently testing last week's initial resistance target at 47540
- The momentum reaffirmed is bullish, although a close above 47700 is needed before the next target of 48460 is considered
- More importantly, above 47700 the larger head and shoulders mentioned in previous weeks loses its relevance
- The index is overbought at the current resistance level whilst forming an intraday bearish candle at present
- Should the current resistance level hold up and the price start to retrace towards the neckline of the Inverse Head and Shoulders pattern (labelled L, H & R), those trading in line with the bullish trend emerging might consider long positions
- If the price does however retrace below the 45850 level, the short-term bullish momentum would be deemed to have failed



2. HIGHS & LOWS

SHARES | 52 WEEK HIGHS

Brait SE (SA)
 Capital & Counties Properties PLC (SA)
 Mondi Ltd
 Steinhoff International Holdings Ltd
 Peregrine Holdings Ltd
 Hyprop Investments Ltd

SHARES | 52 WEEK LOWS

Hospitality Property Fund Ltd
 Sentula Mining Ltd
 Impala Platinum Holdings Ltd
 New Gold Platinum ETF
 Ellies Holdings Ltd
 Pan African Resources PLC (SA)
 Satrix RESI
 Gold Fields Ltd
 Harmony Gold Mining Co Ltd
 Sibanye Gold Ltd
 AngloGold Ashanti Ltd

3. EQUITIES IN FOCUS

CORONATION FUND MANAGERS LTD (Daily chart)

Coronation looks to be continuing the recent downtrend as it breaks out of a rising wedge formation. The pattern highlights a weak move up after a strong move down alluding to the momentum as remaining bearish. The share is overbought, as indicated by the stochastic, while the price has formed a bearish engulfing candle pattern. These indications are bearish and the initial downside target is considered at 8050. Should this level be broken, 7760 and 7640 provide further support targets. A close above wedge resistance at 8540 would consider the failure of the bearish indications.





3. EQUITIES IN FOCUS CONTINUED...

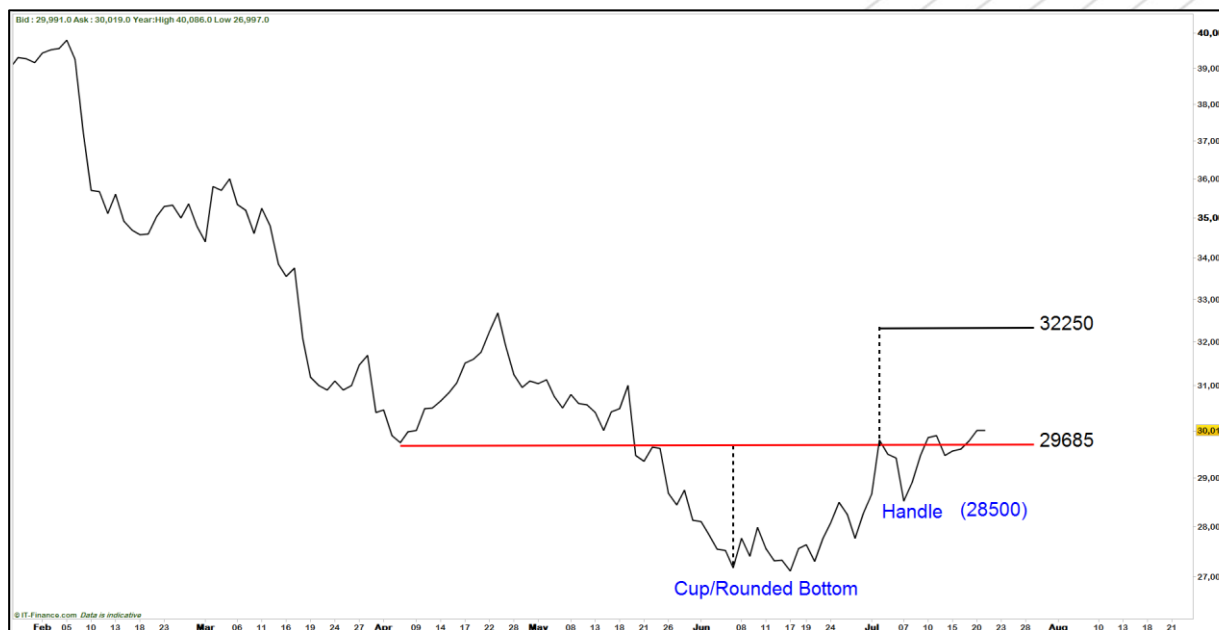
OMNIA HOLDINGS LTD (Daily chart)

The price of Omnia Holdings has formed a triangle consolidation pattern following the short-term rally in price since late June. These patterns are referred to as continuation patterns in technical analysis as they have a habit of forming before the resumption of the preceding trend. It is however prudent to wait for a breakout occur rather than pre-empting the direction thereof. The height of the pattern suggests a proportionate move of 860c in the breakout direction when a breakout occurs. For an upside breakout, a close above 18010 is considered. For a downside breakout, a close below 17400 is considered.



TIGER BRANDS LTD (Daily chart)

The price of Tiger Brands has formed a cup and handle reversal pattern following the recent downtrend. This pattern (in the current context) alludes to a short-term rebound from the preceding move down. The height of the pattern projected from the breakout level (red line) arrives at a proportionate upside target of 32250. Should the price fall and close below the 28500 level, the bullish consideration would be deemed to have failed.



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4. MARKET OVERVIEW

Key Indicators

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

Banks

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

Financial

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

Food Retailers

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

Retailers

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

Construction

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



4. MARKET OVERVIEW CONTINUED...

Telecomms

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

Gold

	Near trend	Intermediate trend	Primary trend	Volatility	OB/OS
Anglogold	Down	Down	Down	Increasing	Oversold
Goldfields	Down	Down	Down	Increasing	Neutral
Harmony	Down	Down	Down	Increasing	Oversold

Platinum

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

Resources

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

Industrials

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