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Comment.

This week's winner is **Antofagasta PLC**.

Back in mid-January things were starting to look a little topy as the market seemed to be stumbling at around **1054**. These doubts were soon backed up by the **Top Failure Swing** pattern spotted on the RSI Indicator, and we sold off heavily. The selling since then has seen a break of some key supports in the medium term, and the most recent is the rising trendline at **833.50** today (Monday). Although Friday's session saw a break of key support and a new low, the recovery was impressive, and it left a long lower shadow on Friday's candle. If we get any near term strength this week we'll gladly continue selling on an approach to resistance.

Indicators in play.

Top Failure Swing – This is similar to Bearish Divergence, although the term is only ever used in conjunction with the RSI indicator. Firstly the RSI needs to top out above the overbought boundary (most prefer above the 70 mark), making a higher peak than the last. The second high on the RSI is lower than the last, although the price is still printing higher peaks and troughs. This is a great reversal signal and tends to work well most of the time. Confirmation that the pattern is the real deal is given when the RSI breaks below the middle trough.



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Summary.

In the short term we're happy to sell strength now and our targets are at 760 and then 744.50. This is where we'd envisage the longer term Bulls to step back in, and we may even consider a small buy around here in the bigger picture.