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Comment.

This week's winner is **3i Group PLC**. Starting with the bigger picture it seems we're in a directionless phase, as we continue to range sideways between **249.5** and **294**, which is not only defined by a number of lows and highs, but also the **Bollinger Bands**, which become incredible useful in markets like these (see **Indicators in Play**). On a more medium term time frame, looking at the bigger daily chart, we're making clearly defined lower peaks and troughs, the definition of a downtrend according to **Dow** theorists. This suggests we'll have another look lower (to the bottom end of the range) and test the **249.5** level mentioned above.

Indicators in play.

Bollinger Bands were created by John Bollinger. This indicator plots two lines that are two standard deviations above and below a 20 day/period moving average. The upper band often acts as resistance and the lower band acts as support. The bands also come in handy during ranging markets. When the bands tighten (get closer together), it warns of a breakout.

Charles **Dow** defines a Bull market as one where each rally surpasses the previous high (Peak) and each pullback (Trough) is higher than the preceding dip.



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Summary.

Strength at the moment will be regarded as a shorting opportunity as we favour another test of the 249.5 level. Longer term buyers will more than likely step back in here, so this is where we'd square off our profits.