

European Stock Report

Today's Reports:

 DE;DCXX FR;BN FR;CA FR;OR NL;UNI.C

Notable breaks of resistance on Jan 15, 2003

No notable breaks of resistance.

[Full list of breaks](#)
Notable tests of resistance on Jan 15, 2003

es;REP (15/01) es;TEF (14/01) fr;EX (07/01)

[Full list of tests](#)
Notable tests of support on Jan 15, 2003

No notable tests of support.

[Full list of tests](#)
Notable breaks of support on Jan 15, 2003

No notable breaks of support.

[Full list of breaks](#)
Euro Stoxx 50: (2479.71). Nearest support and resistance levels
Resistance Levels:

2540 Min	2733/2761 F.Min	2878/2910 Int	3011/3063 Min
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Support Levels:

2348 Min	2115 F.Min	2030/2026 Min	1900/1835 Poss
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Key to abbreviation of magnitudes in decending order

Maj = Major

Int = Intermediate =

F.Min = Fairly Minor

Min = Minor

P.Min = Possible Minor

V.Min = Very Minor

Poss = Possible

Index of recent reports:

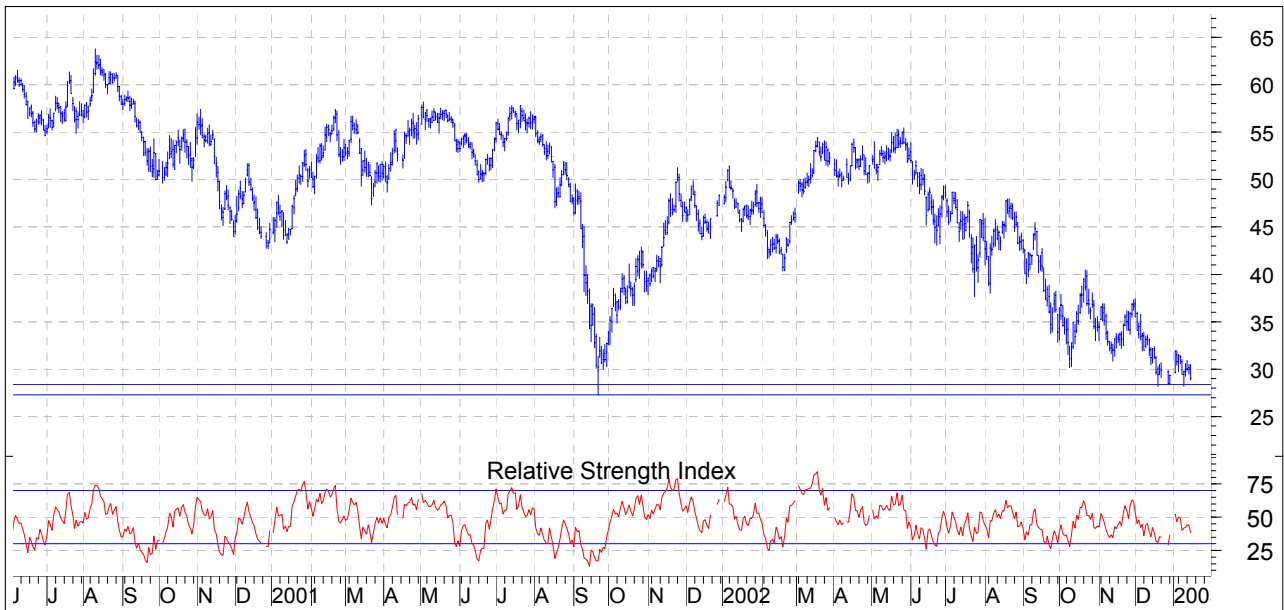
Jan 15, 2003	ES;REP	ES;SAN	FR;SAN	FR;SZE
Jan 14, 2003	ES;TEF	FR;CGE	FR;FTE	
Jan 13, 2003				
Jan 10, 2003	DE;MUVX.N	FI;NOK	FR;SGO	IT;SPI

[Full List](#)

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DE;DCXX - DaimlerChrysler - 29.06



Summary

DCXX continues to pressurise major support at 28.2/27.24 (broadened). Recent consolidation above this area has served to unwind oversold constraints, thereby reducing the potential for recovery. A close below the Sep 2001 low of 27.24 would constitute a serious long term bearish breakdown, with continued weakness back to 23.8/23.5 expected initially.

Comment (See below for the implications of breaks of support and resistance areas)

A close above initial resistance at 31.32/32.24 would alleviate immediate bearish pressures, but in no way alter the overall bearish medium term chart structure. Only a close above 39.9/40.5 would cast doubt on the medium term bear trend.

Key bull triggers activated by closing break	
Resistances	Implications if broken
31.32/32.4 Min	Alleviates immediate bearish pressures. Possibility of near term strength up to 33.6/33.9.
33.6/33.9 Min	Mildly constructive action. Takes the stock out bearish short term territory.
--	-

Key bear triggers activated by closing break	
Supports	Implications if broken
28.2/27.24 Maj	Major bearish breakdown. Further substantial losses likely. Initially to 23.8/23.5, possibly as far as 13.5/13.3 long term.
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Support and Resistance table - Nearest Levels*

Res:	31.32/32.4 Min	33.6/33.9 Min	35.82 Min	36.92/38 Min	39.9/40.5 F.Min
Sup:	28.2/27.24 Maj	23.8/23.5 F.Min	21.2 F.Min	20 Poss	

Key to abbreviation of magnitudes in decending order

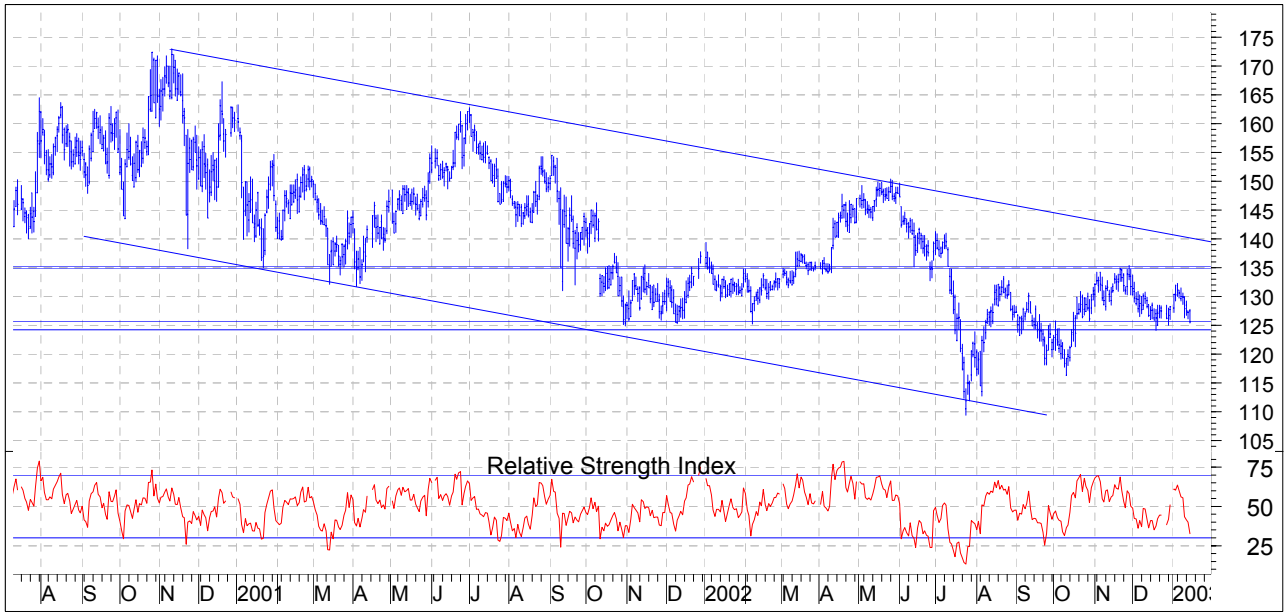
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* A close above any given resistance, or beneath support is needed to confirm a break.

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FR;BN - Groupe Danone - 125.6



Summary

Now testing key support at 125.7/124.1. This area must hold closing values to prevent a well defined short bearish term top from being completed and further weakness back to 118/116.3. Lesser support at 121.3 may punctuate any such decline. A close above resistance at 135/135.4 would be needed to signal a move into bullish territory.

Comment (See below for the implications of breaks of support and resistance areas)

Key bull triggers activated by closing break	
Resistances	Implications if broken
132.3 Min	Indicates scope for a challenge of the more substantial resistance area nearby at 135/135.4.
135/135.4 F.Min	Reasserts medium term uptrend. Expect further strength up to 140.9/142 in the near term.
- -	-

Key bear triggers activated by closing break	
Supports	Implications if broken
125.7/124.1 F.Min	Indicates that the stock has topped out, at least for the short term. Projects further weakness back to 121.3 initially and then to 118.1/116.3.
121.3 P.Min	Confirms that the stock is on target for 118.1/116.3.
118.1/116.3 F.Min	Very ominous action. Expect near term weakness to 109.4. Warns that long term bear trend is reasserting itself, threatening further substantial losses.

Support and Resistance table - Nearest Levels*

Res:	132.3 Min	135/135.4 F.Min	140.9/142 Min	147.3 Min	150/150.4 F.Min
Sup:	125.7/124.1 F.Min	121.3 P.Min	118.1/116.3 F.Min	112.7 Min	109.4 F.Min

Key to abbreviation of magnitudes in decending order

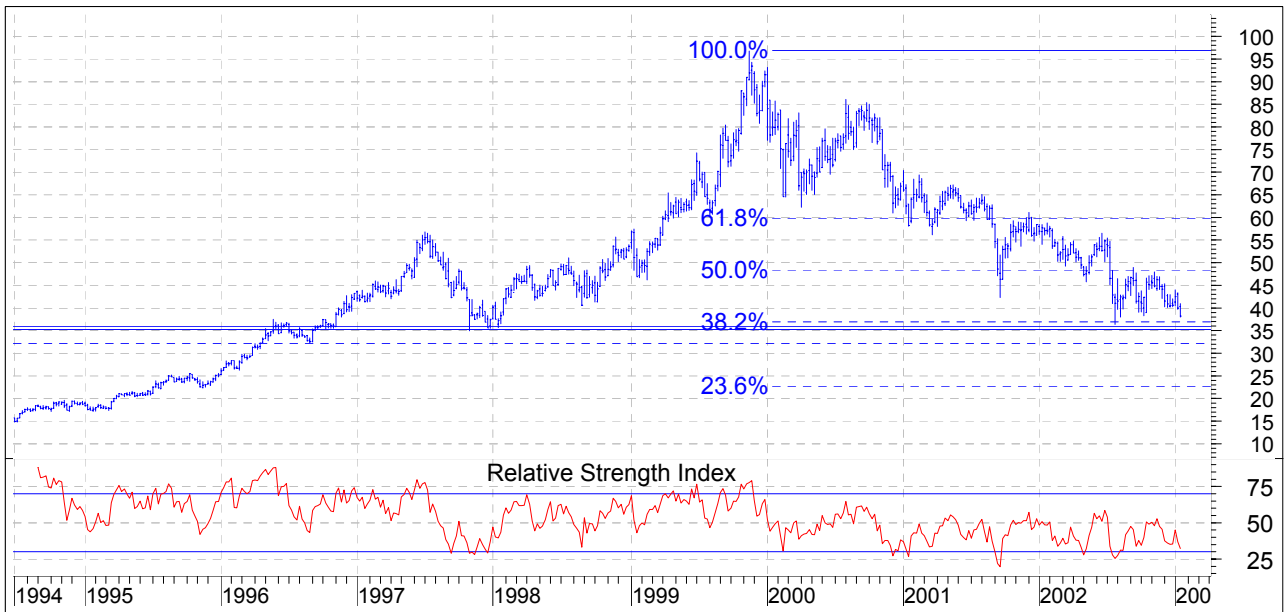
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FR;CA - Carrefour - 38.23



Summary

Now testing the first of two closely positioned support areas at 38.27/38 and 36.33/34.94. The latter band represents a major technical boundary which must hold to prevent a resumption of the major downtrend and further serious weakness (see below for targets).

Comment (See below for the implications of breaks of support and resistance areas)

However, momentum indicators are beginning to push into oversold territory, so bears should proceed with extreme caution whilst each of these support areas is being tested. Overhead, initial minor resistance now stands at 40/40.5. Clearance of the next resistance at 44/44.05 would be needed to give a bullish signal for the short term.

Key bull triggers activated by closing break	
Resistances	Implications if broken
44/44.05 F.Min	Reasonably good chance of a recovery back up to challenge 46.95/47.95.
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Key bear triggers activated by closing break	
Supports	Implications if broken
38.27/38 F.Min	Confirms that the decline is on target for a test of big support at 36.33/34.94.
36.33/34.94 Maj	Major bearish breakdown, projecting to 32.44/32.32 near term, but at least as far as 22.5/22.15 in the medium term.
32.44/32.32 F.Min	Downtrend continues to 28.5/27.97 near term.

Support and Resistance table - Nearest Levels*

Res:	40/40.5 Min	44/44.05 F.Min	45.35 Min	46.95/47.95 F.Min	48.95/50.3 Int
Sup:	38.27/38 F.Min	36.33/34.94 Maj	32.44/32.32 F.Min	28.5/27.97 Min	26.23 Min

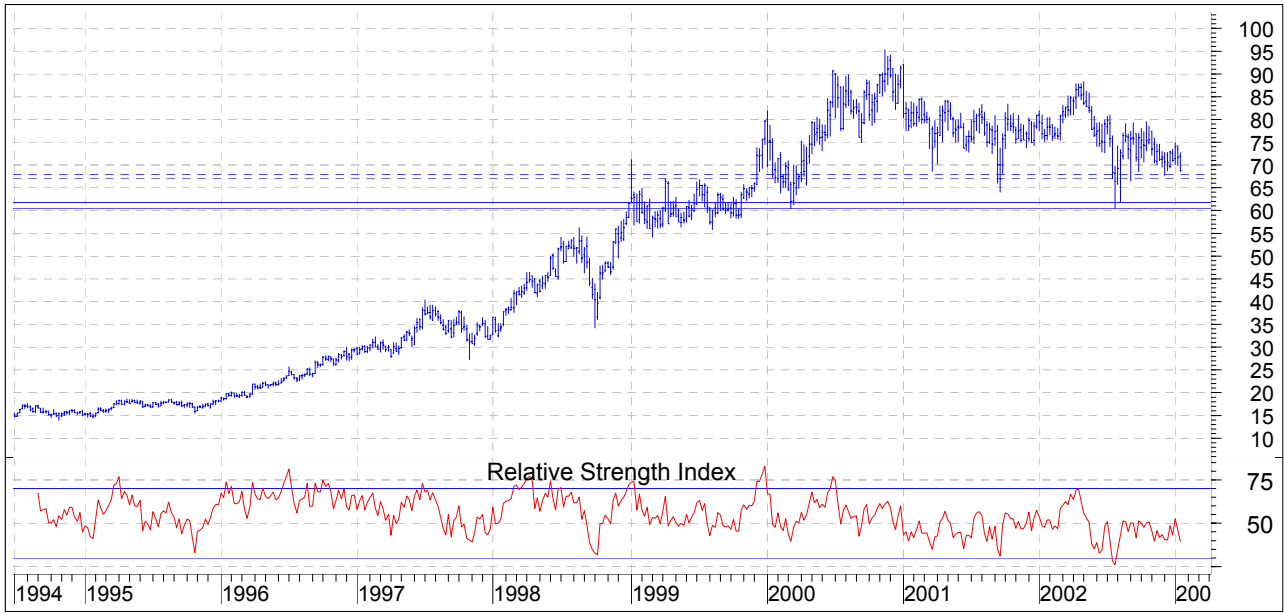
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FR;OR - L'Oreal - 68.85



Summary

Evidence of long term topping activity continues to emerge. Yesterday's action broke support at 70.1, implying that the short term downtrend is accelerating and that a test of 67.7/66.5 is imminent. A close below 67.7/66.5 would constitute a strongly bearish breakdown pointing to further weakness back to 62.75/60.35.

Comment (See below for the implications of breaks of support and resistance areas)

A close above initial resistance at 74.4/75 would be needed to negate the rapidly worsening outlook.

Key bull triggers activated by closing break	
Resistances	Implications if broken
74.4/75 F.Min	Alleviates immediate danger. Hints at possibility for further strength up to 79.3/81.
79.3/81 Int	Strongly bullish short term breakout. Should trigger continued strength up towards 88/88.3, with a possible pause at 84.2/85.85.
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Key bear triggers activated by closing break	
Supports	Implications if broken
67.7/66.5 F.Min	Clearly bearish breakdown, points to continued weakness back to 61.75/60.35.
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Support and Resistance table - Nearest Levels*

Res:	74.4/75 F.Min	79.3/81 Int	84.2/85.85 P.Min	88/88.3 Int	92.1/95.3 Maj
Sup:	67.7/66.5 F.Min	64 Min	61.75/60.35 Int	58.23 F.Min	

Key to abbreviation of magnitudes in decending order

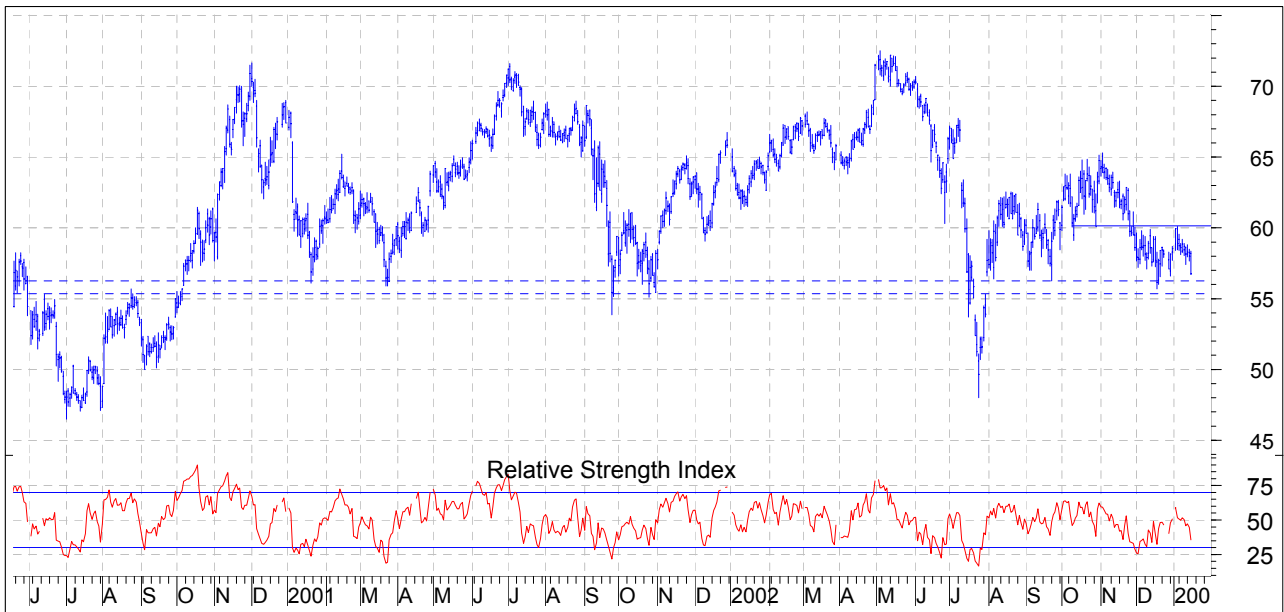
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NL;UNI.C - Unilever - 56.75



Summary

Unilver`s chart structure continues to deteriorate. Signs of medium term topping activity are now becoming much stronger. Currently probing key support at 56.25/55.3. A close beneath here would reassert the short term downtrend and point to continued weakness back to 51 at least, if not to the nearest big support at 48/45.95

Comment (See below for the implications of breaks of support and resistance areas)

A close above resistance at 59.46/60.1 is urgently needed to negate our bearish concerns.

Key bull triggers activated by closing break	
Resistances	Implications if broken
59.46/60.1 F.Min	Negates immediate bearish concerns. Further near term strength to 62.4/63.25 likely.
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Key bear triggers activated by closing break	
Supports	Implications if broken
56.25/55.3 F.Min	Clearly bearish breakdown. Reasserts short term downtrend. Further weakness expected to 51 at the very least and more likely 48/45.95
51 Min	Confirms that a test of 48/45.95 is imminent.
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Support and Resistance table - Nearest Levels*

Res:	59.46/60.1 F.Min	61.2 Min	62.4/63.25 Min	65/66.1 F.Min	67.75/68.1 F.Min
Sup:	56.25/55.3 F.Min	51 Min	48/45.95 Int	40/38.62 Maj	36.1/35.88 Min

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Breaks of Supports and Resistances on Jan 15, 2003

Sorted by Resistance, Support then Code

Code	Price	S / R	Level	Next Level	Next Level	Date Written
fr;AI	122.0	Sup	123.9/123.8 P.Min	120.9/120.22 Min	112.6/110.6 Int	Jan 9, 2003
fr;OR	68.0	Sup	70.1 Min	67.7/66.5 F.Min	64 Min	Jan 16, 2003
it;UC	3.0	Sup	3.76 Min	3.69/3.61 F.Min	3.44/3.31 Min	Oct 8, 2002

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F.Min = Fairly Minor

Min = Minor

P.Min = Possible Minor

V.Min = Very Minor

Poss = Possible

Stocks testing Supports and Resistances on Jan 15, 2003

Sorted by Resistance, Support then Code

Code	Price	S / R	Level	Next Level	Next Level	Date Written
ch;RUK.N	103.0	Res	108/110 Min	114.5/115 Min	122/124 F.Min	Jan 3, 2003
de;DTEX.N	13.0	Res	14.2/15 F.Min	15.73/15.9 F.Min	17.55/18.2 Int	Dec 3, 2002
de;SX5E	2479.0	Res	2,540 Min	2,733/2,761 F.Min	2,878/2,910 Int	
es;REP	13.0	Res	13.83/14.12 Int	14.6 Min	14.94 Min	Jan 15, 2003
es;TEF	9.0	Res	10.2/10.53 Int	11.42/11.55 P.Min	11.94/12.49 F.Min	Jan 14, 2003
fr;BNP	40.0	Res	41.74/42.3 F.Min	44.54/46.3 F.Min	49.5/50.25 Min	Dec 4, 2002
fr;CA	38.0	Res	40/40.5 Min	44/44.05 F.Min	45.35 Min	Jan 16, 2003
fr;CGE	6.0	Res	7.2/7.47 F.Min	8.33/8.48 Min	11.25/12.1 Int	Jan 14, 2003
fr;EX	17.0	Res	17.65/18.45 Int	20.25 P.Min	21.6/22.43 Min	Nov 29, 2002
fr;GLE	57.0	Res	58.9/60.45 F.Min	65/68 Int	71.95/72.65 Min	Jan 8, 2003
fr;SZE	19.0	Res	19.35/20.1 F.Min	21.75/22.5 Min	23.6/23.9 P.Min	Jan 15, 2003
it;SPI	6.0	Res	6.98/7.1 Min	7.4/7.45 P.Min	7.8/8.3 Min	Jan 10, 2003
it;TI	7.0	Res	7.52/7.63 Min	7.81/7.85 F.Min	7.96/8.01 Min	Aug 21, 2002
it;TIM	4.0	Res	4.72/4.77 Min	5/5.06 Min	5.28/5.35 F.Min	Dec 12, 2002
nl;ING.C	17.0	Res	17.34/17.92 F.Min	20/20.23 F.Min	22/22.34 F.Min	Nov 22, 2002
se;ERIC.B	8.0	Res	8.9 Min	10.22/10.5 Int	12.2/13.3 F.Min	Dec 18, 2002
fr;BN	125.0	Sup	125.7/124.1 F.Min	121.3 P.Min	118.1/116.3 F.Min	Jan 16, 2003
fr;CA	38.0	Sup	38.27/38 F.Min	36.33/34.94 Maj	32.44/32.32 F.Min	Jan 16, 2003
fr;MC	38.0	Sup	38.1/37.5 Min	35.5/35 Min	31.16/31 F.Min	Jan 9, 2003
fr;SAN	54.0	Sup	55.1/54.25 F.Min	52.1/49.78 Int	47.5/46.94 Poss	Jan 15, 2003
fr;SGO	26.0	Sup	26.83/26.11 F.Min	24.53/23.25 F.Min	21/20.6 P.Min	Jan 10, 2003
it;ENI	14.0	Sup	14.79/14.4 Min	14.38 P.Min	14/13.95 F.Min	
it;UC	3.0	Sup	3.69/3.61 F.Min	3.44/3.31 Min	3.09/2.83 Maj	Oct 8, 2002

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