

BT.A - British Telecom - 192.75



As things currently stand it would require a close beneath support at 185/182 to signal a move into outright bearish territory. However, set within the context of unbroken medium and longer term bear trends, the formation of a new short term peak at a significant distance beneath the November high does not bode well for recovery potential. On balance, a test of the 185/182 support band now seems likely near term. Bears should proceed with caution on contact with 185/182, but a close beneath 182 would establish a new medium term peak within the major downtrend and serve as a strong warning that this trend is resuming. On a close beneath 182, near term weakness back to 178/173.5 would be expected near term. Thereafter looking beyond a possible rebound, a retreat back to test major support at 153/150 from the all time lows would seem the most likely course of events. Clearance of initial minor resistance at 212/216 is needed to negate the recent technical deterioration and indicate that a challenge of pivotal medium term resistance at 221/225 is likely. However, it would require a close above 225 to signal a move into clearly bullish near / medium term territory.

Support and Resistance table - Nearest Levels*

Res:	212/216 Min	221/225 Int	233/237 F.Min	251/257 F.Min	280 P.Min
Sup:	185/182 F.Min	178/173.5 F.Min	153/150 Maj	145 Min	140 F.Min

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

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

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