

Tech stocks tumble as UK's FTSE slides lower
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Technology stocks tumbled today as Britain's benchmark equity index bore the brunt of a global stock market sell-off that left it vulnerable to its biggest weekly loss in around a month.

The blue-chip FTSE 100 index, which climbed 14.4% in 2013 and rose to nearly its best level since early 2000 in January this year, was down by 0.7%, or 47.48 points, at 6,594.49 points in early session trading.

Technology companies such as ARM and Sage were among the worst performing stocks on the FTSE, as they suffered in the wake of a 3.1% slump overnight on the United States' technology-dominated Nasdaq index.

ARM, whose chip designs feature in most smartphones, fell 3.8% to 966 pence in relatively brisk trading volume, while software developer Sage declined 2.5%.

"I would leave ARM well alone for now. I'd be happy to see it drift down to 930 or 910 pence before phasing back into the stock," said Beaufort Securities sales trader Basil Petrides.

The FTSE is down by around 2% since the start of 2014, having retreated since hitting a peak of 6,867.42 points in late January.

The index's fall today also pushed the FTSE below its 200-day moving average level, which is often interpreted by technical traders as a sign of further weakness to come in the near term.

Adrian Slack, technical strategist at London-based firm APS Alpha, said the FTSE could fall to the 6,393 point level if it broke below the 6,540 level. That 6,540 point level roughly marked the start of a slight rebound for the FTSE in late March.

"I'm not as bullish as I was before. It's a 'sit-on-your-hands' type moment for the market at present, and I think we may tread water for a bit," he said. – Reuters, April 11, 2014

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