

BREAK-AWAYS

January 11, 2017

Trend-Breaks Portfolio

We have created a Portfolio of stocks by utilizing the daily charts from the “Early Warnings” segment of the Daily Trend Report, which is part of the TheUpTrend.com technical charting system (link below).

NOTE: *The Trend-Breaks Portfolio has a short-term perspective. Since this stock portfolio is based on daily stock charts, we update this report when appropriate. Any decisions made with respect to making changes to the portfolio will be reflected in a Buy, Sell, or Short transaction effected at the following day’s Opening Price.*

TODAY’S COMMENT: *Every stock in the portfolio advanced today although, in most cases, the gain was not big. Sun Life Financial is almost back to break-even. Stornoway Diamond Corporation is still the laggard even though it has shed its “Sell” signal. It remains 5 cents a share below break-even.*

CUMULATIVE PORTFOLIO PICKS

As At: **January 11**

<u>Date</u>	<u>Symbol</u>	<u>Company</u>	<u>Buy /</u>	<u>Contract</u>	<u>Current</u>	<u>First</u>	<u>Second</u>	<u><Range Since Purchase></u>	
			<u>Short</u>	<u>Price</u>	<u>Price</u>	<u>Target</u>	<u>Target</u>	<u>High</u>	<u>Low</u>
Oct 25	GIB.A	CGI Group	Buy	\$63.64	\$65.27	\$65.63	\$67.19	\$67.14	\$60.93
Nov 3	TRP	Trans-Canada Corporation	Buy	\$58.16	\$60.75	\$62.50	\$64.06	\$62.84	\$57.36
Nov 15	BCE	BCE Inc.	Buy	\$57.12	\$58.00	\$58.59	\$59.38	\$58.70	\$57.12
Dec 12	NWH.un	NorthWest HealthCare Properties	Buy	\$9.83	\$10.12	\$10.16	\$10.35	\$10.22	\$9.75
Dec 22	SWY	Stornoway Diamond Corporation	Buy	\$1.03	\$0.98	\$1.07	\$1.12	\$1.05	\$0.93
Jan 5	DOL	Dollarama Inc.	Buy	\$99.50	\$98.18	\$100.13	\$106.25	\$99.85	\$98.00
Jan 5	SLF	Sun Life Financial Inc.	Buy	\$52.30	\$52.25	\$56.25	\$59.38	\$52.62	\$51.05

NOTE: The Author, **directly** or *indirectly*, may own stocks included in the TrendBreaks Portfolio.

As of **Jan. 11** these stocks include the following: **BCE; Northwest Healthcare; Stornoway; and Dollarama**

The performance of these portfolio stocks is provided in the table on the next page.

<continued>

PORTFOLIO VALUATION, with Closing Prices as of: **Wednesday** **START DATE:** September 1, 2016
Jan. 11

<u>Company</u>	<u>Symbol</u>	<u>Purchase Date</u>	<u>Purchase Price</u>	<u>Current Price</u>	<u>Number of Shares</u>	<u>Purchase Value</u>	<u>Current Value</u>	<u>\$ Gain</u>	<u>% Gain</u>	<u>% of Portfolio</u>
CGI Group	GIB.A	Oct 25	\$63.64	\$65.27	150	\$9,546	\$9,791	\$245	2.6%	10.1%
Trans-Canada Corporation	TRP	Nov 3	\$58.16	\$60.75	170	\$9,887	\$10,328	\$440	4.5%	10.6%
BCE Inc.	BCE	Nov 15	\$57.12	\$58.00	175	\$9,996	\$10,150	\$154	1.5%	10.4%
NorthWest HealthCare Properties	NWH.un	Dec 12	\$9.83	\$10.12	1,020	\$10,027	\$10,322	\$296	3.0%	10.6%
Stornoway Diamond Corporation	SWY	Dec 22	\$1.03	\$0.98	9,700	\$9,991	\$9,506	(\$485)	-4.9%	9.8%
Dollarama Inc.	DOL	Jan 5	\$99.50	\$98.18	100	\$9,950	\$9,818	(\$132)	-1.3%	10.1%
Sun Life Financial Inc.	SLF	Jan 5	\$52.30	\$52.25	190	\$9,937	\$9,928	(\$10)	-0.1%	10.2%
STOCK PORTFOLIO						\$69,334	\$69,842	\$508	0.7%	71.7%
30% Margin on Short Sales						\$0	\$0	\$0		0.0%
STOCK PORTFOLIO VALUE						\$69,334	\$69,842	\$508	0.7%	71.7%
Cash-On-Hand						\$30,666	\$30,666	\$0		31.5%
Cumulative Dividend Income							\$988	\$988		1.0%
Realized Gains / (Losses)							(\$4,101)	(\$4,101)		-4.2%
TOTAL PORTFOLIO VALUE						\$100,000	\$97,395	-\$2,605	-2.6%	100.0%
										Portfolio Annualized Return: -7.4%
S&P/TSX COMPOSITE INDEX						14,597.95	15,491.54	893.59	6.1%	
										S&P/TSX Annualized Return: 17.3%

The table below, on the next page, is the list of stocks that have been sold (or bought back if shorted).

<continued>

Stocks Sold/Bought Back:

<u>Company</u>	<u>Symbol</u>	<u>Date</u>	<u>Buy / Short</u>	<u>Buy Price</u>	<u>Sell Price</u>	<u>Gain / (Loss)</u>	<u>Purchase Value</u>	<u>Closing Value</u>	<u>\$ Gain (Loss)</u>	<u>% Gain (Loss)</u>	<u>Cum Gain (Loss)</u>
Toromont Industries Ltd.	TIH	Aug 31	Buy	\$39.68			\$9,920				
Toromont Industries Ltd.	TIH	Sep 07	Sell		\$39.18	-\$0.50		\$9,795	-\$125	-1.3%	-\$125
Stantec Inc.	STN	Aug 31	Buy	\$31.27			\$10,006				
Stantec Inc.	STN	Sep 08	Sell		\$30.60	-\$0.67		\$9,792	-\$214	-2.1%	-\$339
Equal Weight Cdn Banks Index	ZEB	Aug 31	Buy	\$24.12			\$9,648				
Equal Weight Cdn Banks Index	ZEB	Sep 08	Sell		\$24.10	-\$0.02		\$9,640	-\$8	-0.1%	-\$347
Wajax Corporation	WJX	Aug 31	Buy	\$16.13			\$9,678				
Wajax Corporation	WJX	Sep 20	Sell		\$14.70	-\$1.43		\$8,820	-\$858	-8.9%	-\$1,205
EnCana Corporation	ECA	Sep 07	Buy	\$13.38			\$10,169				
EnCana Corporation	ECA	Sep 20	Sell		\$12.20	-\$1.18		\$9,272	-\$897	-8.8%	-\$2,102
Manulife Corporation	MFC	Aug 31	Buy	\$17.89			\$4,920				
Manulife Corporation	MFC	Oct 07	Sell		\$19.17	\$1.28		\$5,272	\$352	7.2%	-\$1,750
Tourmaline Oil Corp.	TOU	Sep 02	Buy	\$36.86			\$10,137				
Tourmaline Oil Corp.	TOU	Oct 19	Sell		\$37.48	\$0.62		\$10,307	\$171	1.7%	-\$1,580
Suncor Energy Inc.	SU	Oct 03	Buy	\$36.64			\$10,076				
Suncor Energy Inc.	SU	Oct 20	Sell		\$38.05	\$1.41		\$10,464	\$388	3.8%	-\$1,192
West Fraser Timber Co.	WFT	Oct 25	Buy	\$41.50			\$10,375				
West Fraser Timber Co.	WFT	Oct 26	Sell		\$44.05	\$2.55		\$11,013	\$638	6.1%	-\$554
Norbord Inc.	OSB	Oct 31	Sell	\$33.85			\$10,155				
Norbord Inc.	OSB	Oct 25	Buy		\$31.47	\$2.38		\$9,441	\$714	7.0%	\$160
Norbord Inc. Margin Profit	OSB	Oct 31	---				-\$3,048	-\$2,832	\$216	7.1%	\$376
Enbridge Income Fund Holdings	ENF	Sep 02	Buy	\$32.44			\$9,732				
Enbridge Income Fund Holdings	ENF	Nov 1	Sell		\$34.01	\$1.57		\$10,203	\$471	4.8%	\$847
Knight Therapeutics Inc.	GUD	Oct 27	Buy	\$9.27			\$9,270				
Knight Therapeutics Inc.	GUD	Nov 1	Sell		\$8.98	-\$0.29		\$8,980	-\$290	-3.1%	\$557
Manulife Corporation	MFC	Aug 31	Buy	\$17.89			\$4,920				
Manulife Corporation	MFC	Nov 02	Sell		\$19.15	\$1.26		\$5,266	\$347	7.0%	\$903
Detour Gold Corporation	DGC	Nov 02	Buy	\$24.45			\$9,780				
Detour Gold Corporation	DGC	Nov 09	Sell		\$20.99	-\$3.46		\$8,396	-\$1,384	-14.2%	-\$481
Loblaw Companies Limited	L	Nov 04	Buy	\$66.68			\$10,002				
Loblaw Companies Limited	L	Nov 14	Sell		\$63.56	-\$3.12		\$9,534	-\$468	-4.7%	-\$949
Alimentation Couche-Tard Inc.	ATD.B	Nov 22	Sell	\$66.98			\$10,047				
Alimentation Couche-Tard Inc.	ATD.B	Nov 04	Buy		\$63.50	\$3.48		\$9,525	\$522	5.2%	-\$427
Alimentation Margin Profit	ATD.B	Nov 22	---				-\$3,014	-\$2,852	\$162	5.4%	-\$265
EnerCare Inc.	ECI	Nov 22	Sell	\$18.55			\$10,017				
EnerCare Inc.	ECI	Nov 04	Buy		\$18.25	\$0.30		\$9,855	\$162	1.6%	-\$103
EnerCare Margin Profit	ECI	Nov 22	---				-\$3,005	-\$2,957	\$48	1.6%	-\$55
Colliers International Group Inc.	CIGI	Nov 28	Buy	\$48.10			\$9,620				
Colliers International Group Inc.	CIGI	Nov 29	Sell		\$47.39	-\$0.71		\$9,478	-\$142	-1.5%	-\$197
MacDonald, Dettwiler & Associates	MDA	Nov 28	Buy	\$71.60			\$10,024				
MacDonald, Dettwiler & Associates	MDA	Dec 2	Sell		\$66.67	-\$4.93		\$9,334	-\$690	-6.9%	-\$887
Baytex Energy Corp.	BTE	Nov 21	Buy	\$5.49			\$9,992				
Baytex Energy Corp.	BTE	Dec 2	Sell		\$5.95	\$0.46		\$10,829	\$837	8.4%	-\$50
Franco-Nevada Corporation	FNV	Nov 1	Buy	\$88.93			\$10,227				
Franco-Nevada Corporation	FNV	Dec 5	Sell		\$76.32	-\$12.61		\$8,777	-\$1,450	-14.2%	-\$1,500
Tahoe Resources Inc.	THO	Nov 2	Buy	\$16.81			\$10,086				
Tahoe Resources Inc.	THO	Dec 5	Sell		\$13.08	-\$3.73		\$7,848	-\$2,238	-22.2%	-\$3,738
AGT Food & Ingredients	AGT	Sep 20	Buy	\$37.43			\$10,106				
AGT Food & Ingredients	AGT	Dec 6	Sell		\$35.39	-\$2.04		\$9,555	-\$551	-5.5%	-\$4,289
Industrial Alliance Insurance	IAG	Dec 2	Buy	\$57.33			\$10,033				
Industrial Alliance Insurance	IAG	Dec 9	Sell		\$55.25	-\$2.08		\$9,669	-\$364	-3.6%	-\$4,653
EnerCare Inc.	ECI	Dec 12	Buy	\$18.34			\$10,087				
EnerCare Inc.	ECI	Dec 21	Sell		\$17.84	-\$0.50		\$9,812	-\$275	-2.7%	-\$4,928
Fairfax Financial Holdings	FFH	Dec 21	Buy	\$636.88			\$10,190				
Fairfax Financial Holdings	FFH	Dec 23	Sell		\$669.93	\$33.05		\$10,719	\$529	5.2%	-\$4,399
Torstar Corporation	TS.B	Oct 27	Buy	\$1.64			\$9,840				
Torstar Corporation	TS.B	Dec 29	Sell		\$1.93	\$0.29		\$11,580	\$1,740	17.7%	-\$2,659
Hudson's Bay Company	HBC	Nov 29	Buy	\$14.72			\$10,010				
Hudson's Bay Company	HBC	Jan 6	Sell		\$12.60	-\$2.12		\$8,568	-\$1,442	-14.4%	-\$4,101

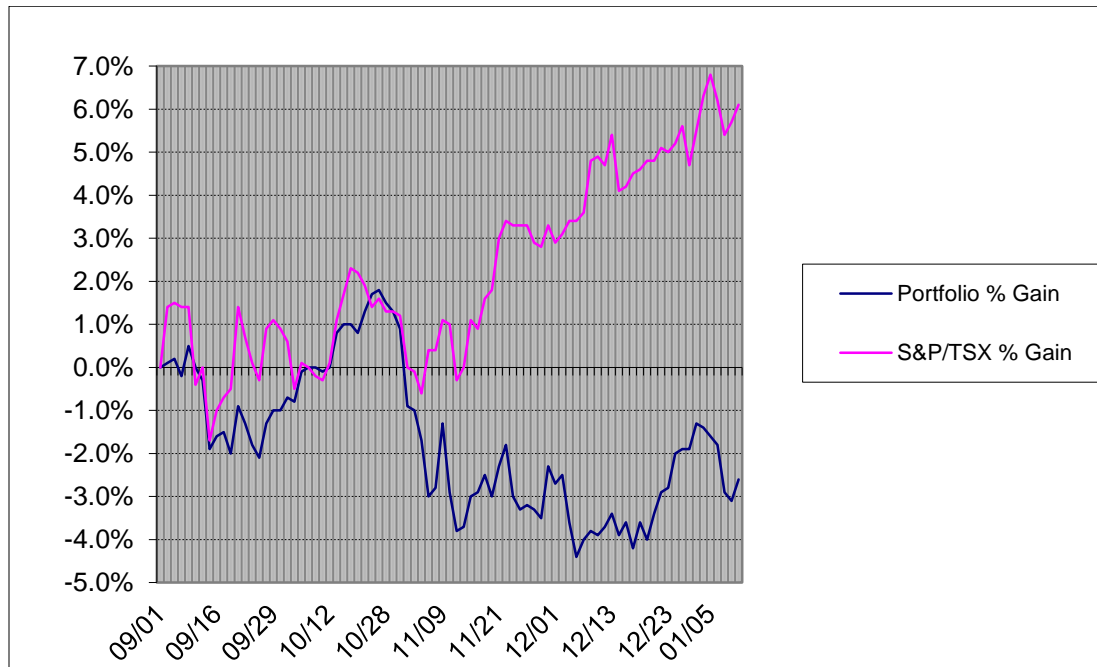
<continued>

For comparative purposes, the following graph depicts the performance, since initiation, of the eResearch portfolio (**BLUE** line) against the S&P/TSX Composite Index (**PINK** line).

The portfolio is certainly struggling compared to the broad market index:

Portfolio performance = -2.6%

S&P/TSX Composite = +6.1%



Following are our guidelines (Modus Operandi) for administering the Portfolio.

MODUS OPERANDI

Using the daily charts from the “Early Warnings” segment of the Daily Trend Report in theUpTrend.com technical system, we evaluate those stocks that have moved above or below their respective channel trend-lines.

We started with \$100,000 cash and, when appropriate, we choose either one or two stocks and put an arbitrary approximate \$10,000 in each stock pick. The buy price or the short-sell price will be at the next day’s opening price. All short sells will require the mandatory 30% margin.

We will continue buying or shorting until the Portfolio is fully “invested”, although this could include a sizable cash position. The portfolio is monitored and reported on daily.

If a stock closes at or higher than its Second Target price, then ½ of the position will be sold at the next day’s opening price. Using TheUpTrend.com system, the stock will be further evaluated and, if there is possible further upside, then it will be retained. If not, the entire position will be sold.

Also, if a stock receives a change of opinion in TheUpTrend.com by breaking its channel trend-line support, then it will be sold at the next day’s opening price.

If a stock has a decline below its purchase price that is 7% or more for three consecutive days, then the entire position in that stock will be sold at the next day's opening price.

Similarly, for a stock sold short, if the stock move goes against us for three consecutive days with a loss of 5%, then that stock will be bought back at the next day's opening price, and the 30% margin requirement will be deleted.

Stocks sold either will be replaced, or the sales proceeds will augment the cash portion.

Information on TheUpTrend.com is presented on the following page.

TheUpTrend.com

COMMENT: *eResearch Corporation has a special relationship with TheUpTrend.com, and is privileged to be able to access the technical chart information on a vast number of companies that are in the database of TheUpTrend.com. From this source, we are able to identify proprietary stock opportunities, which we are pleased to be able to pass on to our Subscribers. See our Channel-Breakers reports.*

Information on TheUpTrend.com follows.

TheUpTrend.com is a proprietary technical analysis system, devised by Stephen Whiteside, that uses charts and various technical tools to maximize trading and investing experiences.

#####

TheUpTrend.com provides intra-day, daily, weekly, and monthly technical analysis on global stocks, indexes, ETFs, and futures.

#####

Knowing when to buy, when to sell, and when to take profits are all part of a responsible and fundamental investment strategy. Execution of these parameters, for most investors, is rarely easy to accomplish. The task is infinitely easier with the use of TheUpTrend.com.

#####

By providing investors with a set of powerful Decision Support Tools, investors can dramatically increase returns and reduce risk. These tools help investors make better decisions faster, with more confidence, and less stress.

#####

FREE Video Link:

Throughout the week, and before the market opens, Stephen Whiteside provides, through an audio-video presentation, a technical viewpoint on the stock market. This informative video is provided on the eResearch Corporation website and is available to all eResearch Subscribers. Stephen's 6-8 minute commentary covers both the Canadian and the U.S. market, and reviews the charts of the major country indexes, company stocks, bonds, currencies, and ETFs.

#####

The detailed features of TheUpTrend.com system are available only to paid subscribers.

TheUpTrend.com Link: To learn more, go to www.theuptrend.com

DISCLAIMERS

eResearch Disclosure Statement

eResearch is engaged solely in the provision of equity research to the investment community. eResearch provides published research and analysis to its Subscribers on its website (www.eresearch.ca), and to the general investing public through its extensive electronic distribution network and through newswire agencies.

With regards to distribution of its research material, eResearch makes all reasonable efforts to provide its publications, via e-mail, simultaneously to all of its Subscribers.

eResearch does not manage money or trade with the general public, provides full disclosure of all fee arrangements, and adheres to the strict application of its Best Practices Guidelines.

theUpTrend.com Disclosure Statement

TheUpTrend.com is an information service for investors and traders, and is neither a recommendation nor an offer to buy or sell securities. TheUpTrend.com is not a broker or an investment adviser, and is not acting in any capacity to influence the purchase of any security. TheUpTrend.com and its personnel may already have positions in equities presented.

TheUpTrend.com, its officers, directors, employees, and consultants shall not be liable for any damages, losses, or costs of any kind or type arising out of or in any way connected with the use of its products or services. In many instances, securities presented should be considered speculative with a high degree of volatility and risk. Before trading securities, an investor or trader should consult with a qualified broker, investment adviser, and/or other market professionals.

All commentaries, suggestions, recommendations, and trade decisions are based solely on technical analysis and are not based upon company fundamentals, news, earnings, or rumors. Past performance is not indicative of future performance. Further information regarding theUpTrend.com can be obtained from its website: www.theuptrend.com.