

BREAK-AWAYS

February 23, 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: *As we have stated in our Subscriber Alerts, we are a “Nervous Nellie”. The market needs a pause, a pull-back. Many of the stocks in this portfolio are simply not performing and most likely would do poorly in a market down-draft. Accordingly, at the opening tomorrow (Friday), we are going to sell most of the holdings in the portfolio, including CGI Group, BCE, Stornoway, Dollarama, Sun Life, Metro, and Hudson’s Bay Company.*

CUMULATIVE PORTFOLIO PICKS

As At: February 23

Date	Symbol	Company	Buy /	Contract	Current	First	Second	<Range Since Purchase>	
			Short	Price	Price	Target	Target	High	Low
Oct 25	GIB.A	CGI Group	Buy	\$63.64	\$63.04	\$65.63	\$67.19	\$67.14	\$60.93
Nov 15	BCE	BCE Inc.	Buy	\$57.12	\$58.83	\$58.59	\$59.38	\$59.08	\$57.12
Dec 12	NWH.un	NorthWest HealthCare Properties	Buy	\$9.83	\$10.31	\$10.55	\$10.75	\$10.45	\$9.75
Dec 22	SWY	Stornoway Diamond Corporation	Buy	\$1.03	\$0.83	\$1.07	\$1.12	\$1.05	\$0.81
Jan 5	DOL	Dollarama Inc.	Buy	\$99.50	\$103.98	\$100.13	\$106.25	\$103.90	\$96.77
Jan 5	SLF	Sun Life Financial Inc.	Buy	\$52.30	\$48.70	\$56.25	\$59.38	\$52.66	\$48.54
Jan 16	MRU	Metro Inc.	Buy	\$40.85	\$40.24	\$42.19	\$43.75	\$40.94	\$38.85
Jan 16	ARE	Aecon Group Inc.	Buy	\$15.10	\$16.37	\$17.20	\$18.00	\$16.92	\$15.06
Jan 16	HBC	Hudson's Bay Company	Buy	\$9.67	\$12.59	\$10.94	\$12.50	\$12.65	\$9.63

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

As of Feb. 23 these stocks include the following: **BCE; HBC; 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:

**Thursday
Feb. 23**
START DATE: September 1, 2016

<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	\$63.04	150	\$9,546	\$9,456	(\$90)	-0.9%	9.5%
BCE Inc.	BCE	Nov 15	\$57.12	\$58.83	175	\$9,996	\$10,295	\$299	3.0%	10.3%
NorthWest HealthCare Properties	NWH.un	Dec 12	\$9.83	\$10.31	1,020	\$10,027	\$10,516	\$490	4.9%	10.5%
Stornoway Diamond Corporation	SWY	Dec 22	\$1.03	\$0.83	9,700	\$9,991	\$8,051	(\$1,940)	-19.4%	8.1%
Dollarama Inc.	DOL	Jan 5	\$99.50	\$103.98	100	\$9,950	\$10,398	\$448	4.5%	10.4%
Sun Life Financial Inc.	SLF	Jan 5	\$52.30	\$48.70	190	\$9,937	\$9,253	(\$684)	-6.9%	9.3%
Metro Inc.	MRU	Jan 16	\$40.85	\$40.24	245	\$10,008	\$9,859	(\$149)	-1.5%	9.9%
Aecon Group Inc.	ARE	Jan 16	\$15.10	\$16.37	660	\$9,966	\$10,804	\$838	8.4%	10.8%
Hudson's Bay Company	HBC	Jan 16	\$9.67	\$12.59	1,035	\$10,008	\$13,031	\$3,022	30.2%	13.0%
STOCK PORTFOLIO						\$89,429	\$91,663	\$2,234	2.5%	91.7%
30% Margin on Short Sales						\$0	\$0	\$0		0.0%
STOCK PORTFOLIO VALUE						\$89,429	\$91,663	\$2,234	2.5%	91.7%
Cash-On-Hand						\$10,571	\$10,571	\$0		10.6%
Cumulative Dividend Income							\$1,164	\$1,164		1.2%
Realized Gains / (Losses)							(\$3,451)	(\$3,451)		-3.5%
TOTAL PORTFOLIO VALUE						\$100,000	\$99,946	-\$54	-0.1%	100.0%
						Portfolio Annualized Return:			-0.1%	
S&P/TSX COMPOSITE INDEX						14,597.95	15,781.20	1,183.25	8.1%	
						S&P/TSX Annualized Return:			17.1%	

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>Long</u> <u>Short</u>	<u>Buy</u> <u>Price</u>	<u>Sell</u> <u>Price</u>	<u>Gain /</u> <u>(Loss)</u>	<u>Purchase</u> <u>Value</u>	<u>Closing</u> <u>Value</u>	<u>\$ Gain</u> <u>(Loss)</u>	<u>% Gain</u> <u>(Loss)</u>	<u>Cum Gain</u> <u>(Loss)</u>
Toromont Industries Ltd.	TIH	Long	\$39.68	\$39.18	-\$0.50	\$9,920	\$9,795	-\$125	-1.3%	-\$125
Stantec Inc.	STN	Long	\$31.27	\$30.60	-\$0.67	\$10,006	\$9,792	-\$214	-2.1%	-\$339
Equal Weight Cdn Banks Index	ZEB	Long	\$24.12	\$24.10	-\$0.02	\$9,648	\$9,640	-\$8	-0.1%	-\$347
Wajax Corporation	WJX	Long	\$16.13	\$14.70	-\$1.43	\$9,678	\$8,820	-\$858	-8.9%	-\$1,205
EnCana Corporation	ECA	Long	\$13.38	\$12.20	-\$1.18	\$10,169	\$9,272	-\$897	-8.8%	-\$2,102
Manulife Corporation	MFC	Long	\$17.89	\$19.17	\$1.28	\$4,920	\$5,272	\$352	7.2%	-\$1,750
Tourmaline Oil Corp.	TOU	Long	\$36.86	\$37.48	\$0.62	\$10,137	\$10,307	\$171	1.7%	-\$1,580
Suncor Energy Inc.	SU	Long	\$36.64	\$38.05	\$1.41	\$10,076	\$10,464	\$388	3.8%	-\$1,192
West Fraser Timber Co.	WFT	Long	\$41.50	\$44.05	\$2.55	\$10,375	\$11,013	\$638	6.1%	-\$554
Norbord Inc.	OSB	Short	\$33.85	\$31.47	\$2.38	\$10,155	\$9,441	\$714	7.0%	\$160
Norbord Inc. Margin Profit	OSB					-\$3,048	-\$2,832	\$216	7.1%	\$376
Enbridge Income Fund Holdings	ENF	Long	\$32.44	\$34.01	\$1.57	\$9,732	\$10,203	\$471	4.8%	\$847
Knight Therapeutics Inc.	GUD	Long	\$9.27	\$8.98	-\$0.29	\$9,270	\$8,980	-\$290	-3.1%	\$557
Manulife Corporation	MFC	Long	\$17.89	\$19.15	\$1.26	\$4,920	\$5,266	\$347	7.0%	\$903
Detour Gold Corporation	DGC	Long	\$24.45	\$20.99	-\$3.46	\$9,780	\$8,396	-\$1,384	-14.2%	-\$481
Loblaw Companies Limited	L	Long	\$66.68	\$63.56	-\$3.12	\$10,002	\$9,534	-\$468	-4.7%	-\$949
Alimentation Couche-Tard Inc.	ATD.B	Short	\$66.98	\$63.50	\$3.48	\$10,047	\$9,525	\$522	5.2%	-\$427
Alimentation Margin Profit	ATD.B					-\$3,014	-\$2,852	\$162	5.4%	-\$265
EnerCare Inc.	ECI	Short	\$18.55	\$18.25	\$0.30	\$10,017	\$9,855	\$162	1.6%	-\$103
EnerCare Margin Profit	ECI					-\$3,005	-\$2,957	\$48	1.6%	-\$55
Colliers International Group Inc.	CIGI	Long	\$48.10	\$47.39	-\$0.71	\$9,620	\$9,478	-\$142	-1.5%	-\$197
MacDonald, Dettwiler & Associates	MDA	Long	\$71.60	\$66.67	-\$4.93	\$10,024	\$9,334	-\$690	-6.9%	-\$887
Baytex Energy Corp.	BTE	Long	\$5.49	\$5.95	\$0.46	\$9,992	\$10,829	\$837	8.4%	-\$50
Franco-Nevada Corporation	FNV	Long	\$88.93	\$76.32	-\$12.61	\$10,227	\$8,777	-\$1,450	-14.2%	-\$1,500
Tahoe Resources Inc.	THO	Long	\$16.81	\$13.08	-\$3.73	\$10,086	\$7,848	-\$2,238	-22.2%	-\$3,738
AGT Food & Ingredients	AGT	Long	\$37.43	\$35.39	-\$2.04	\$10,106	\$9,555	-\$551	-5.5%	-\$4,289
Industrial Alliance Insurance	IAG	Long	\$57.33	\$55.25	-\$2.08	\$10,033	\$9,669	-\$364	-3.6%	-\$4,653
EnerCare Inc.	ECI	Long	\$18.34	\$17.84	-\$0.50	\$10,087	\$9,812	-\$275	-2.7%	-\$4,928
Fairfax Financial Holdings	FFH	Long	\$636.88	\$669.93	\$33.05	\$10,190	\$10,719	\$529	5.2%	-\$4,399
Torstar Corporation	TS.B	Long	\$1.64	\$1.93	\$0.29	\$9,840	\$11,580	\$1,740	17.7%	-\$2,659
Hudson's Bay Company	HBC	Long	\$14.72	\$12.60	-\$2.12	\$10,010	\$8,568	-\$1,442	-14.4%	-\$4,101
TransCanada Corporation	TRP	Long	\$58.16	\$61.98	\$3.82	\$9,887	\$10,537	\$649	6.6%	-\$3,451
S&P/TSX Composite	GSPTSE	Short	\$15.65	\$15.41	-\$0.24	\$10,173	\$10,017	-\$156	-1.5%	-\$3,607
S&P/TSX Comp. Margin Loss	GSPTSE					-\$3,005	-\$3,023	-\$18	-0.6%	-\$3,625

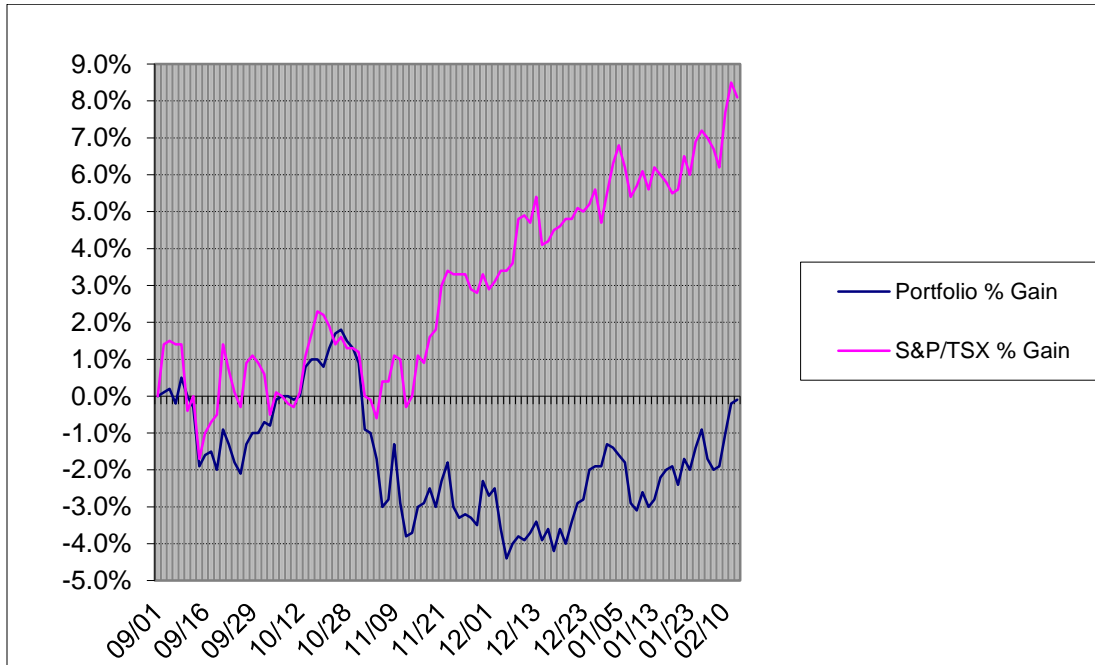
<continued>

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 = -0.1%

S&P/TSX Composite = +8.1%



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.