

## BREAK-AWAYS

May 1, 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](http://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.*

**COMMENT:** *MacDonald, Dettwiler is on the decline after consolidating around \$70. There is a Double Bottom just below \$65. If that does not hold, we will sell. Trinidad Drilling is also in a daily downward spiral. If \$2.00 does not hold, out we go. Aecon has also rolled over and, if support at \$16 does not hold, we will sell. The only good news is that Hudson's Bay Company has reached and surpassed its First Target Price. Yea!*

### CUMULATIVE PORTFOLIO PICKS

As At: May 1

<u>Date</u>	<u>Symbol</u>	<u>Company</u>	<u>Buy / Short</u>	<u>Contract Price</u>	<u>Current Price</u>	<u>First Target</u>	<u>Second Target</u>	<u>% Inc. to 1st Target</u>	<u>% Inc. to 2nd Target</u>
Dec 12	NWH.un	NorthWest HealthCare Properties	Buy	\$9.83	\$10.73	\$11.13	\$11.33	3.7%	5.6%
Jan 16	ARE	Aecon Group Inc.	Buy	\$15.10	\$16.04	\$17.20	\$18.00	7.2%	12.2%
Mar 23	CVE	Cenovus Energy Inc.	Buy	\$16.98	\$13.47	\$18.00	\$18.75	33.6%	39.2%
Mar 27	MDA	MacDonald, Dettwiler & Associates	Buy	\$67.70	\$66.67	\$71.88	\$75.00	7.8%	12.5%
Mar 31	HBC	Hudson's Bay Company	Buy	\$10.75	\$12.53	\$12.50	\$14.05	-0.2%	12.1%
Apr 03	TDG	Trinidad Drilling Ltd.	Buy	\$2.30	\$2.08	\$2.75	\$3.13	32.2%	50.5%

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

As of **May 1** these stocks include the following: *Northwest Healthcare; Cenovus Energy; HBC*

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

**PORTFOLIO VALUATION**, with Closing Prices as of:

**Monday**
**START DATE:**

September 1, 2016

May 1

<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>
NorthWest HealthCare Properties	NWH.un	Dec 12	\$9.83	\$10.73	1,020	\$10,027	\$10,945	\$918	9.2%	11.3%
Aecon Group Inc.	ARE	Jan 16	\$15.10	\$16.04	660	\$9,966	\$10,586	\$620	6.2%	10.9%
Cenovus Energy Inc.	CVE	Mar 23	\$16.98	\$13.47	590	\$10,018	\$7,947	(\$2,071)	-20.7%	8.2%
MacDonald, Dettwiler & Associates	MDA	Mar 27	\$67.70	\$66.67	150	\$10,155	\$10,001	(\$155)	-1.5%	10.3%
Hudson's Bay Company	HBC	Mar 31	\$10.75	\$12.53	930	\$9,998	\$11,653	\$1,655	16.6%	12.0%
Trinidad Drilling Ltd.	TDG	Apr 03	\$2.30	\$2.08	4,350	\$10,005	\$9,048	(\$957)	-9.6%	9.3%
STOCK PORTFOLIO						\$60,168	\$60,180	\$11	0.0%	62.2%
30% Margin on Short Sales						\$0	\$0			0.0%
<b>STOCK PORTFOLIO VALUE .....</b>						\$60,168	\$60,180	\$11	0.0%	62.2%
Cash-On-Hand						\$39,832	\$39,832	\$0		41.1%
Cumulative Dividend Income							\$1,386	\$1,386		1.4%
Realized Gains / (Losses)							(\$4,584)	(\$4,584)		-4.7%
<b>TOTAL PORTFOLIO VALUE .....</b>						\$100,000	<b>\$96,813</b>	<b>-\$3,187</b>	<b>-3.2%</b>	100.0%
						Portfolio Annualized Return:			<b>-4.9%</b>	
<b>S&amp;P/TSX COMPOSITE INDEX .....</b>						14,597.95	15,575.63	977.68	6.7%	
						S&P/TSX Annualized Return:			10.2%	

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

**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
CGI Group Inc.	GIB.A	Long	\$63.64	\$62.81	-\$0.83	\$9,546	\$9,422	-\$125	-1.3%	-\$3,750
BCE Inc.	BCE	Long	\$57.12	\$58.80	\$1.68	\$9,996	\$10,290	\$294	2.9%	-\$3,456
Dollarama Inc.	DOL	Long	\$99.50	\$103.70	\$4.20	\$9,950	\$10,370	\$420	4.2%	-\$3,036
Hudson's Bay Company	HBC	Long	\$9.67	\$12.43	\$2.76	\$10,008	\$12,865	\$2,857	28.5%	-\$179
Metro Inc.	MRU	Long	\$40.85	\$40.19	-\$0.66	\$10,008	\$9,847	-\$162	-1.6%	-\$341
Stornoway Diamond Corporation	SWY	Long	\$1.03	\$0.83	-\$0.20	\$9,991	\$8,051	-\$1,940	-19.4%	-\$2,281
Sun Life Financial Inc.	SLF	Long	\$52.30	\$48.50	-\$3.80	\$9,937	\$9,215	-\$722	-7.3%	-\$3,003
Nevsun Resources Ltd.	NSU	Long	\$3.40	\$3.33	-\$0.07	\$10,030	\$9,824	-\$207	-2.1%	-\$3,209
Transcontinental Inc.	TCL.A	Short	\$24.74	\$24.30	-\$0.44	\$10,143	\$9,963	-\$180	-1.8%	-\$3,390
Transcontinental Inc. Margin Loss						-\$2,989	-\$3,043	-\$54	1.8%	-\$3,444
Sherritt International Corporation	S	Long	\$1.05	\$0.93	-\$0.12	\$9,975	\$8,835	-\$1,140	-11.4%	-\$4,584

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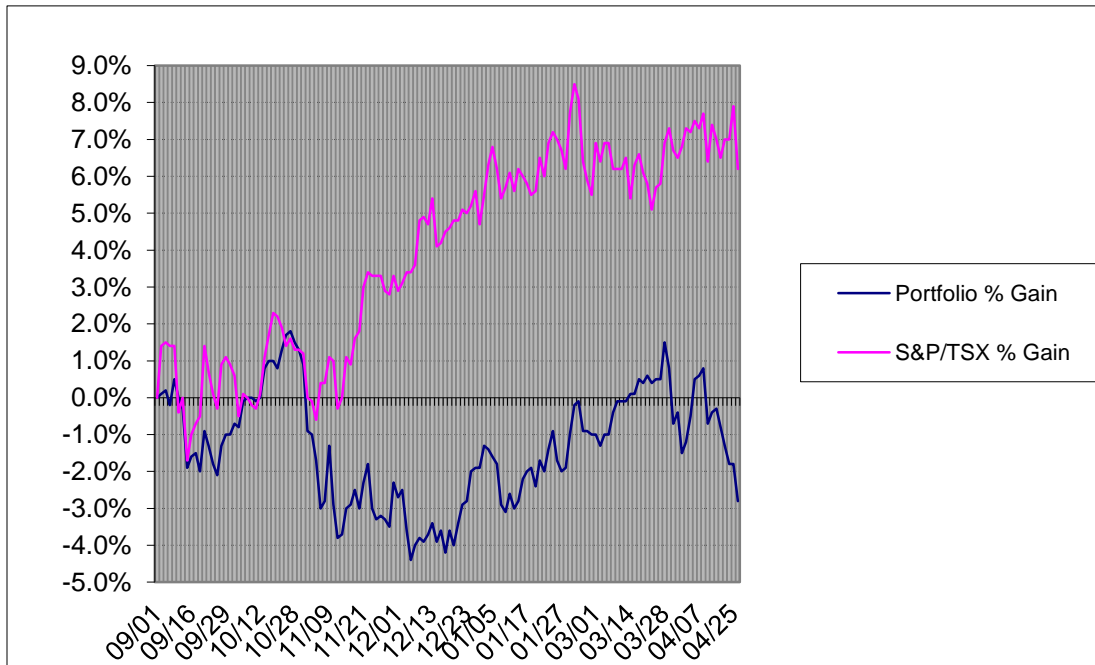
For comparative purposes, the following graph depicts the performance, since initiation, of the eResearch portfolio (**BLUE** line) against the S&P/TSX Composite Index (**PINK** line).

The portfolio is in a down-draft. Very discouraging. The S&P/TSX Composite is holding its own.

Portfolio performance = -3.2%

S&P/TSX Composite = +6.7%

As at: April 27:



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 1/2 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.

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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.

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## TheUpTrend.com

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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.

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