

Horizontal Mambo

eResearch Corporation is pleased to provide an article by Keith Richards of **VALUETREND**.

In this article, Mr. Richards provides another look at stocks stuck within a horizontal range, which establishes a stock trading range.

The article is reproduced below, beginning on the next page, or you can go directly to it at the following link: <http://www.valuetrend.ca/horizontal-mambo/>

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Horizontal Mambo

By: Keith Richards (bio at end)

Life is a horizontal fall (Jean Cocteau: French writer, designer, playwright)

I [wrote a blog](#) that was well received back in May on sideways trading stocks.

I mentioned on that blog that I quite like stocks stuck within a range because you can define your trading plan – you know upfront what your entry and exit points are. I would recommend reading that blog to get an outline of how to define suitable candidates.

Today, I would like to cover a few new stocks that I have been watching in sideways patterns. I will also quickly review the current status of two of those mentioned in my prior blog.

One stock mentioned was GE, which has broken down and is no longer in the holding pattern.

Please note: I would really love you to put a comment on this blog if you are aware of any other well defined trading pattern stocks. It is great to share this kind of info with the TA community.

SNC Lavalin (SNC-T)

SNC has been stuck in a fairly wide swinging range since early 2016. The stock looks attractive if considered around the low \$50s and sold around \$58. Perhaps it is worth the wait...



BCE (BCE-T)

The long-term chart is in an uptrend (thick black line), but the old resistance levels of around \$57 from 2015 has become the floor since 2016. Resistance lies around \$63. That would be your trade. We hold a position in both our ValueTrend Equity and ValueTrend Income Platforms – which I hold personally (yes, I eat my own cooking).



Mondelez déjà vu (MDLZ-US)

Someday, MDLZ may break out. And some day, your prince (or princess) will come. Meanwhile – trading appears to be the only way to reap any money out of this zombie. This stock has been trading between \$40 to \$47 since early 2015. We hold this stock in the ValueTrend Equity Platform. You will NEVER guess where I will sell (tongue now firmly in cheek).



More of the same for Stantec (STN-T)

Sung to the tune of "["Carolina in the morning"](#)"

Nothing suits me finer than to buy Stantec at \$29-er...in the morning...
Then I'd feel really nifty to sell at \$36.50...in the evening...



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ABOUT THE AUTHOR



ValueTrend Founder and Owner, Keith Richards, has been in the securities industry since 1990. ValueTrend manages over \$100 million through a discretionary investment service for high-net-worth clients.

Keith Richards has been in the securities industry since 1990 and is a highly regarded member of the small, exclusive community of Chartered Market Technicians in Canada. Mr. Richard's articles appear regularly in INVESTORS DIGEST, MONEYLETTER, GLOBE AND MAIL, and the TORONTO STAR newspapers.

His appearances on BNN Television have inspired producers to acknowledge him as **“one of [our] most accurate technical analysts.”** Mr. Richard's first book, SMARTBOUNCE: 3 ACTION STEPS TO PORTFOLIO RECOVERY, is available in bookstores and directly through his blog page www.valuetrend.ca/blog/. His second book, SIDEWAYS: USING THE POWER OF TECHNICAL ANALYSIS TO PROFIT IN UNCERTAIN TIMES was released in late 2011. He has been critical of the commission-based, follow-the-pack approach to investing – where brokers succeed regardless of performance.

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