

Continue To Buy Thomson (TOC-1: C\$47.55)

November 22, 2006



Thomson had a two-way decline from \$59.58 in September 2000 to \$37.18 in September 2002 (A to B). This was followed by four years of base building mostly between \$40 and \$47 (see green lines). Although the stock is currently at the top of this range (C), it is beginning to demonstrate numerous positive technical signals, which suggest that the stock is on the verge of a breakout:

- ✓ The stock is trading above its rising 40-week moving average;
- ✓ The VSI shows positive momentum;
- ✓ The MACD is on the verge of a positive crossover (see lower panel).

Only a decline below \$44.00 would reverse the bullish potential of this stock.

Point & Figure measurements provide targets of \$54 and \$62 (14% and 30% appreciation potentials from current levels). Higher targets are also visible.

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