Hint. Look for the following chart patterns (If you find others, great!): 3 scallops, 2 triangles, and 1 broadening formation.
Notice that the September ascending scallop has price levels almost at the same price, suggesting the uptrend is near an end. Price tumbles soon after. The December scallop is more V-shaped than I like to see. The symmetrical triangle has an upward breakout when price closed above the top trendline in February 2005.

**Question 1:** Do you buy, short, or avoid trading this stock?
**Question 2:** If trading this one, what is the target price?
**Question 3:** If trading this one, what is the stop price?

The answers appear below and a chart on the next screen.

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**Answer 1:** Buy. The stock is near the yearly high with an upward breakout, a good sign of additional gains.
**Answer 2:** Compute the triangle height and add the height to the breakout price. The result will give you a target price which the stock reaches 66% of the time, so be conservative in your target.
**Answer 3:** Volatility is $1.71, so a stop no closer than 77.58 would work well. That means placing a stop below the lowest valley in the chart pattern, which bottoms at 76.74. That would give a potential loss of 3.5%, which is great.
After the breakout, price threw back before gapping upward in February. It’s been mostly upward since then with only a diamond to give a breather to the run up.

Then end