the Break Out Report

Earnings – Leadership - Momentum

Volume # 1, Issue # 4 Dec. 15, 2002 ELM - the Profit Tree

Trend Watch

Gold Breakout?

The major markets sold off for a second week running as the Dow dropped 2.5% and the NASDAQ 4.2% for the week. More bad news on the economic front, profit taking and tax loss selling no doubt all contributed to the decline. Among other things, United Airlines filed for Chapter 11 protection, casting a pall on the market. Our favorite airline Westjet got creamed when it announced a pending profit squeeze in the next quarter, dropping 14.4% on Dec. 9th. But some regional competitors of United made substantial gains on the potential elimination of a competitor.

Financial Post pundit William Hanley noted Thursday that while stocks were rallying for eight weeks through the end of November, insider selling of US stocks for November reached a frenzied pitch, up 125% to US $2.6 billion from US $1.2 billion in October with tech stock insiders selling even faster. Insider buying was up only 5% to US $193 million. Yes!!! You read that right. Selling in the billions. Buying in the millions. That's a ratio of $13.71 of selling for every dollar of buying.

Thomson Financial, however, notes that a ratio between $10 and $20 to $1 is a neutral and not a bearish signal. But this is the first time since June that the ratio has exceeded US $10. Mark LoPresti at Thomson First call has warned clients on sixteen over-valued stocks exhibiting high insider selling. These include Anheuser-Busch, Dell Computer and Krispy Kreme Doughnuts.

Meanwhile, the World bank warned Thursday that the global economy faces a "significant risk" of

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Options Explained Part 3

Volatility

In 1997 the Nobel Prize in Economics went to Harvard economist Robert Merton and Stanford professor of finance Myron Scholes for their pioneering work in options pricing theory. And if he hadn’t passed away unexpectedly in 1995, Scholes’s colleague and friend Fischer Black would surely have shared in the award.

Black and Scholes developed the options pricing model that bears their name, the Black Scholes Options Pricing Formula. Merton developed it further. Published in 1973, the complex formula takes into consideration a variety of input factors that include time to expiration, strike price, the risk-free interest rate, value of the underlying stock and the implied volatility of the stock. Later refinements added dividends as a factor.

At the time the very idea of mathematically pricing stock derivatives was so revolutionary that two distinguished academic journals rejected the work in 1970. After some minor tweaking and some pressure from influential academics, Chicago University’s *Journal of Political Economy* finally put the work into print in 1973.

The business world was quicker than the ivory-tower editors at Harvard and Chicago. Within six months, Texas Instruments brought out a calculator incorporating the Black Scholes formula. The

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In This Issue: Gold Stocks on the Move! (Page 3)

Trend Watch *(from page 1)*

sliding back into recession in 2003. It slashed its global growth forecast for 2003 by more than a percentage point. Growth for the current year is also coming in below expectations at just 1.7%, not the 2% predicted. Many economists say that growth less than 2% foretells global recession.

Some pundits are sure that Oct. 9th marked the bottom of the bear market in equities. I'm not so sure. Looking at the 30 day moving average for the NASDAQ, it certainly seems to have swung solidly into an uptrend with the last two weeks marking a correction. But the 200 day moving average tells quite a different story. The NASDAQ is bouncing off this average to the downside in a continuing bear market.

Meanwhile gold is surging again, up more than 2% for the second week running. The yellow metal broke $230 resistance on Thursday with a massive $6.60 leap up. Retracement Friday? No siree! The metal gained another $1.70 pushing it to five year highs.

Gold bugs point to a deteriorating US dollar and solid fundamentals for gold as the cause. Vancouver's Bob Hoye at Institutional Advisors notes that the breaking of a speculative bubble has historically been followed by a surge in gold. He notes that technically, gold is headed for US $353 an ounce in the near term unless it breaks below US $326.

This is borne out by a marvelous chart (shown at left) from Jim Sinclair at FinancialSense.com. Gold, he says, has formed a near perfect cup and handle formation and breakout with this week's action. He too says gold will hit between US $348 and US $353. When? by Christmas!!!

All of our four gold stocks in our Watched List are doing spectacularly well. They're updated on page 3. Our portfolio, which has 2 gold stocks in it, is updated on page 10.

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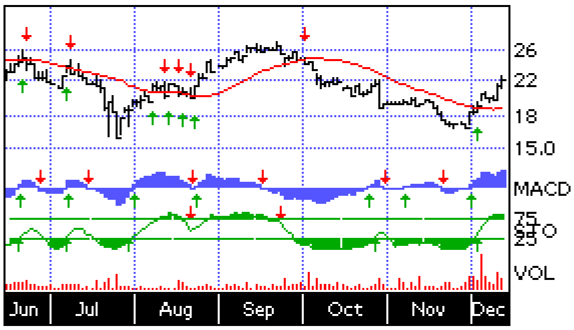
Merry Christmas and a Happy New Year! Much prosperity in 2003!

Watched List Update

Gold Stocks are on the Move!

If you look at the charts of our four gold stocks you'll see that all showed three green arrows for Stochastics, MACD and Moving Average in early December with a surge in volume to boot. All have made spectacular gains in just two weeks and with the price of gold possibly breaking out to the $350 level, all of them should be solid gainers in the next few weeks and possibly even months.

Meanwhile, we add two more stocks to our Watch List this issue, bringing our total to 57. You'll find current trends on all on the website.

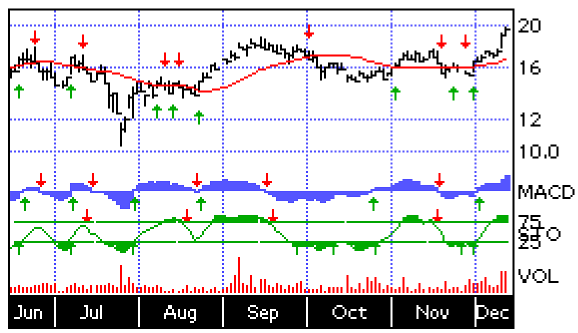


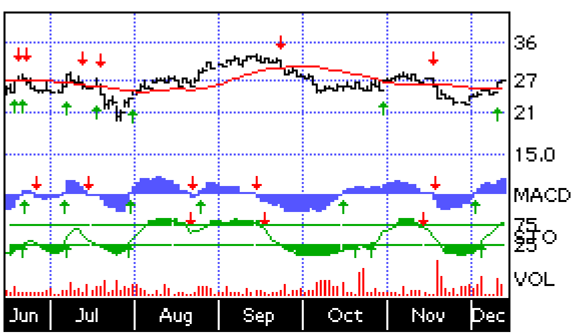
Agnico-Eagle (AGE) **Profiled: Mar. 9, 2001**
Price then: $12.40 **Price Now: $21.95**

⇦ In the 21 months since we first profiled AGE it has climbed 77.0%. Progress has been choppy and the summer sell-off in gold saw it slump from a high of $27.59 to around $17. Early December foretold the current jump with three green arrows and a sharp rise in volume. Unless the gold price soars, look for resistance at $26.

Goldcorp **Profiled: May 25, 2001**
Price then: $7.83 **Price Now: $19.75**

Goldcorp, the world's lowest cost producer of ⇨ gold, has soared since we profiled it 19 months ago - up 152.2%. The price slumped below $12 in July before recovering and trading in a flat range around $16 until early December. Three greens and rising volume have propelled Goldcorp to new 52 week highs.



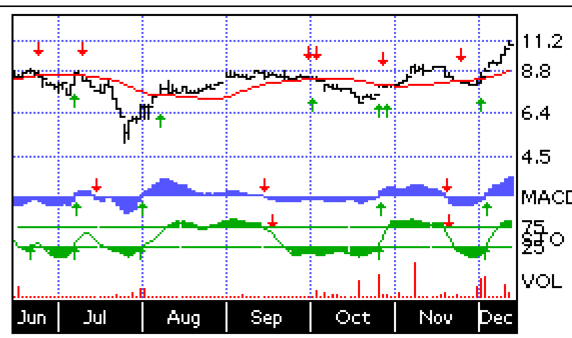


Meridian Gold **Profiled: Mar. 2, 2001**
Price then: $10.30 **Price Now: $26.80**

⇦ After climbing to over $30 in late June, Meridian Gold has fluctuated in a wide range between $20 and $32. The stock is currently up 160.2% since profiled. Meridian started a gradual swing down in September, but three green arrows in December may be a reversal and a new uptrend. Watch for resistance at $28-$30.

Repadre Capital **Profiled: Mar. 16, 2001**
Price then: $2.60 **Price Now: $10.80**

The hotshot performer of our gold stocks, ⇨ Repadre Capital has skyrocketed 315.4% since we profiled it in March 2001. For a long time the chart was an almost straight uptrending line but RPD took a sharp correction in July this year before starting a choppy ascent to current levels. Pending merger with Iamgold is a good move.



Manufacturing Pick

Mega Bloks Inc. (MB – TSX)

(website: www.megabloks.com)

When you think of Mega Bloks, you can't help but think of their arch rival, the Danish toy giant Lego. Mega Bloks made its name by manufacturing an extra-large version of the popular building blocks for the very young set for whom Lego bricks could pose a choking hazard.

And while copying others is sometimes said to be the greatest form of flattery, Lego did not see it that way. They have tried and failed to stop Mega Bloks in the courts. The latest skirmish saw Lego claim that they owned exclusive rights to the "look" of the knobs on their Lego bricks and that Mega Bloks' rival product, Micro Mega Bloks, infringed on the "look". In late May this year, less than a month after Mega Bloks went public, the Federal Court of Canada rejected Lego's claim.

Montreal-based Mega Bloks was founded in 1967 by Victor Bertrand Sr. and his wife Rita as toy distributor Ritvik Toys. But in the early 80's, Victor came up with the idea of giant size construction blocks that were safe for pre-schoolers. With considerable savvy, he made sure his blocks interlocked with the established Lego product. Mega Bloks was launched in Canada and the U.S. at the 1985 toy fairs. Mini Mega Bloks were introduced in 1989 and the Lego sized Micro Mega Bloks in 1991.

Today Mega Bloks has operations in eight countries with over a thousand employees. It is now, in fact, Canada's largest toy manufacturer and distributor.

In November, Mega Bloks signed a licensing agreement with Disney Consumer Products to create construction toys based on Disney characters. These include such popular children's fare as Winnie the Pooh and Power Rangers. The Disney deal won't see product on the shelves until next year with debuts planned for the January and February toy fairs.

The Christmas season should add solid revenues to the fiscal year end in December which is already well on its way with trailing 12 month revenues and earnings already outstripping the last fiscal year. Wal-Mart Canada recently listed its top ten best-selling toys and Mega Bloks Dragon's Warrior Fortress came in at #5.

As noted in the table below, earnings per share for Mega Bloks increased 18.2% in the most recent quarter. Net earnings growth was significantly higher at 61%. Share dilution contributed to this. In November, the company completed a secondary public offering of 6.25 million shares at $18.60 a share which will lead to further dilution. But the company's solid growth prospects and the new Disney deal should mitigate the effect.

Quarterly Earnings per Share (in US$)

To Sept 30th	2001	2002	% Change
EPS	$0.33	$0.39	+18.2%
Revenues (000s)	$51,700	$66,700	+29.0%

Annual Earnings per Share (in US$)

To Dec. 31st	2000	2001	% Change	Trailing to Sept. 30, 2002	% Change
EPS	$0.24	$0.31	+29.2%	$0.57	+83.9%
Revenues (000s)	$113,976	$150,043	+31.6%	$176,166	+17.4%

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Mega Bloks *(from page 4)*

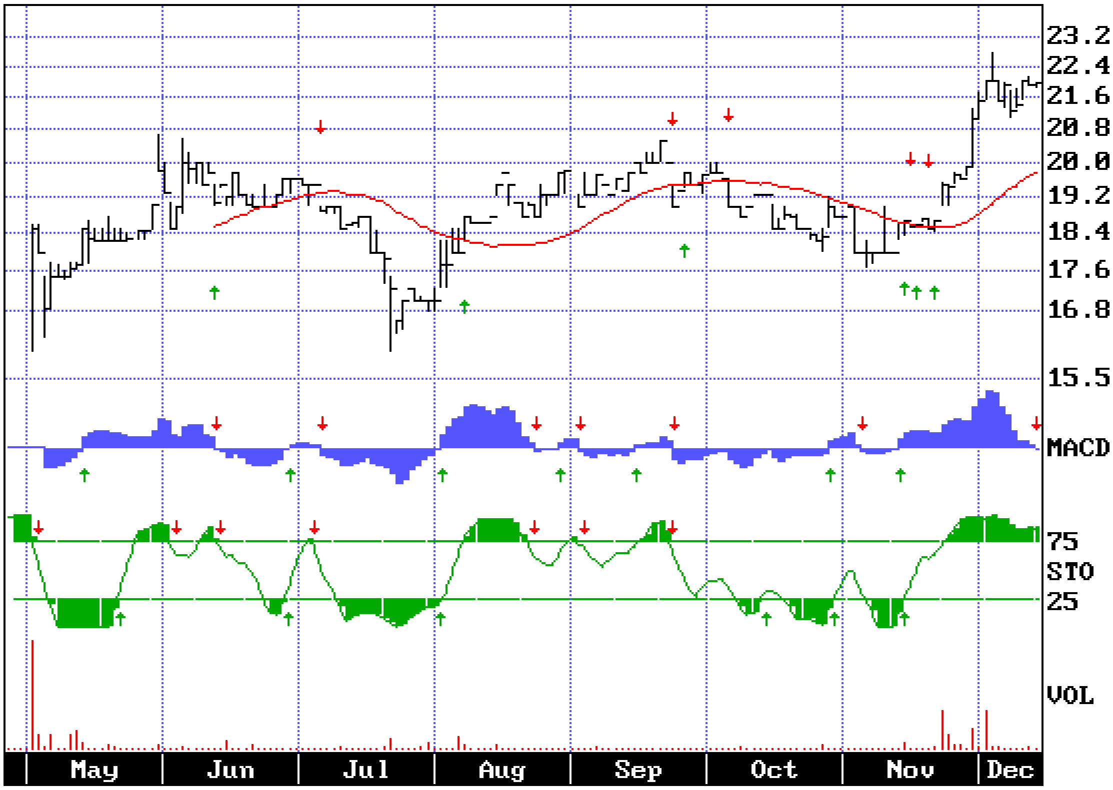

Chart Analysis: Mega Bloks only became a public company in May this year so our chart shows its entire public history. As can be seen, the stock gapped up to $16.50 from its IPO price of $14.50 when it launched on May 3rd. A huge volume spike showed immediate interest. It quickly climbed to $20 before the summer slump pulled it back to $16.50 again. Mega Bloks again tested the $20 level in September and again encountered resistance retrenching to the $18 level. Three green arrows for MACD, Stochastics and a move above the 30 day MA in early November was followed by several volume spikes propelling the stock through the previous resistance at $20, peaking at $22.75 on Dec. 4th. The stock is now consolidating and may drop back to $20 which should now offer support. We expect great things from Mega Bloks going forward.

Stats as of 12/13/02	Phase 2 Analysis
▪ Hi/Lo Ratio: 1.42	▪ Price Pattern: A
▪ RS: 83.4	▪ Volatility: B
▪ Shares: 26,809,111	▪ Estimates: A-
▪ P/E: 38.51	▪ Snapshot: A
▪ Price: $21.95	▪ News: A

Phase 2: Because we have the entire chart for MB we can see that it is on a long-term, albeit somewhat volatile uptrend. We give it an A for Price Pattern and a B for Volatility. Because it is such a new listing, there is only one analyst who has covered it and given it a buy rating of 2.0. This translates as an A- for us. The Company Snapshot shows a company with earnings and revenues growing consistently. Because it doesn't have the history, there is no ROI but we give it an A anyway. News is superb with a successful IPO, a gap up on its first trading day, the appointment of a Nintendo hotshot to the board, and most of all, a huge deal with Disney that should prove very lucrative going forward. A very solid A for News.

Manufacturing Pick

IPL Inc. (IPI.A –TSX)

(website: www.ipl-plastics.com)

"I just want to say one word to you…just one word." – Mr. McGuire (Walter Brooke) to Benjamin Braddock (Dustin Hoffman)
"Yes, sir."
"Are you listening?"
"Yes, sir. I am."
"Plastics."
Everyone remembers the famous line from the classic movie The Graduate where the girlfriend's father tells Dustin Hoffman the future is in plastics. And so it was with IPL Inc. But that's *not* where it started!

It all began in the small Quebec town of St. Damien-de-Bellechasse in March 1939 when Jospeh-Emile Métivier started Les Industries Provinciales Ltée with a stake of just $500. Their first product? Straw brooms. By 1948 it was the largest broom manufacturer in Canada. The 50s saw the company expand from brooms and mops to all kinds of brushes including toothbrushes. In the process it acquired its first injection press to produce the toothbrush handles.

That led to the 60s and the age of plastics. The company was at the forefront developing uses for this new product, manufacturing buckets and containers including pails to collect maple syrup. It developed the first folding plastic chair which became its first export to the United States. And it developed the then innovative and now ubiquitous plastic beverage crates. This led to contracts with Coca-Cola, Seven-Up and Pepsi.

The 70s saw it expand to molded plastic parts for Outboard Marine and Bombardier. And in the 80s it established an American subsidiary, IPL Products Ltd., in Plattsburgh, New York. It became the first Canadian company quality certified to provide the Detroit automotive industry with parts without having to have each part inspected first. In 1985 the company went public with a listing on the Montreal Stock Exchange. The 90s saw IPL become the first company in its field to get ISO 9001 quality certification from the International Standards Organization.

Today it is a leading North American producer of molded plastic products with three plants in Quebec, one in New Brunswick and one in Ontario as well as maintaining offices and warehouses across the United States. It employs 1100 people making over 400 products including containers, waste management products (recycling boxes and garbage cans), tubing, custom industrial moldings, automotive parts and industrial and retail packaging.

Its market cap has grown from $5.75 million when it went public to over $169 million today.

Quarterly Earnings per Share

To Sept. 30th	2001	2002	% Change
EPS	$0.42	$0.55	+31.0%
Revenues (000s)	$46,709	$53,160	+13.8%

Annual Earnings per Share

To Sept. 30st	2000	2001	% Change	2002	% Change
EPS	$1.13	$1.34	+18.6%	$1.87	+39.6%
Revenues (000s)	$156,463	$188,501	+20.5%	$206,756	+9.7%

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IPL Inc. *(from page 6)*

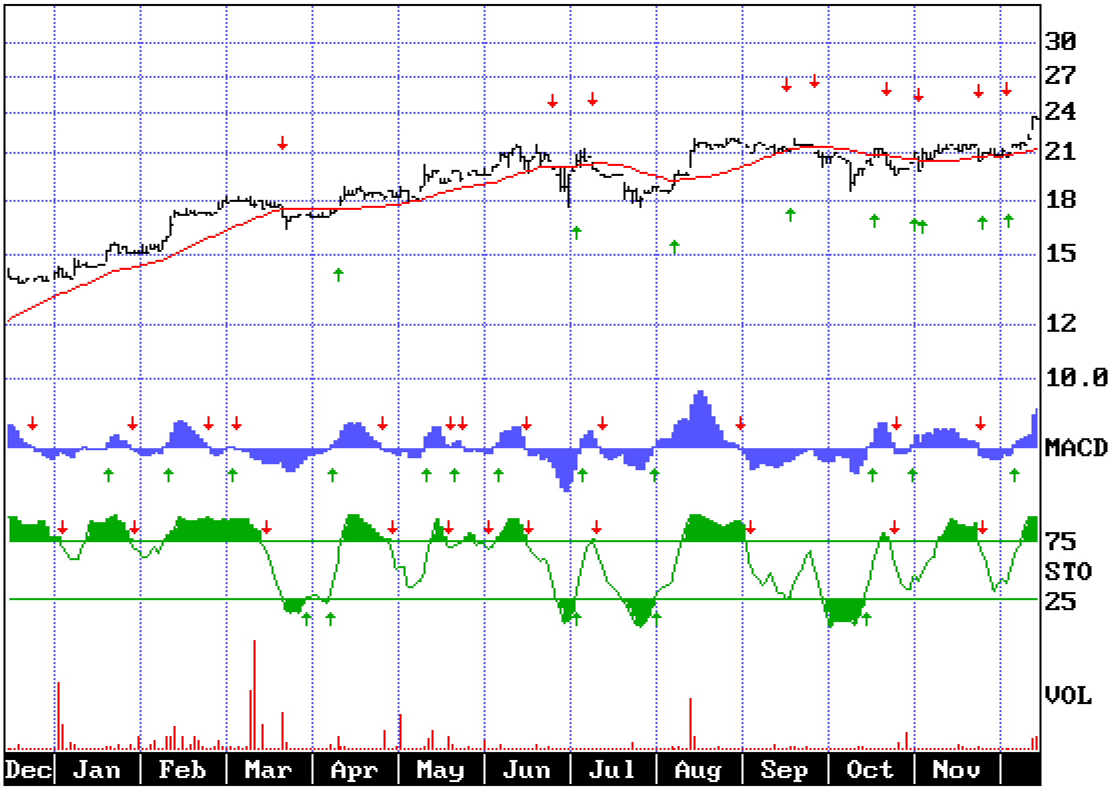

Chart Analysis: Look at this chart! Isn't it a beauty! IPL Inc. has gained 70% in the last year while everything else was heading south. In fact, the company has tripled since January 1, 2001. This year's summer slump just saw IPL fall asleep at the $21 level for six months. Now it appears to be stirring again. Early December saw green arrows on MACD and moving average with a phantom green in the Stochastic indicator. Volume in the last few days has been larger than average. A solid quarter following on three years of steady growth in both revenues and earnings could propel it to further gains in the new year.

Stats as of 12/13/02	Phase 2 Analysis
▪ Hi/Lo Ratio: 1.84	▪ Price Pattern: A
▪ RS: 89.6	▪ Volatility: A
▪ Shares: 7,200,592	▪ Estimates: A
▪ P/E: 13.7	▪ Snapshot: A
▪ Price: $23.50	▪ News: A

Phase 2: Price pattern is exceptional since the beginning of 2001 with the last six months seeing consolidation and setting up for a further advance. Give it an A for both price pattern and volatility. Estimates are up sharply over a year ago with a 1.6 buy rating overall – another A. The company's snapshot shows it to have grown revenues and earnings for three years running. Although ROI for 2000 and 2001 was lower than we like, it was respectable at just over 13 and 14 and the 2002 ROI should be getting close to 18. We give it an A again. News is solid with a normal course issuer bid and strong quarterly reports all year. Another A.

All charts courtesy of Investools. Visit their website at http://me.investortoolbox.com/welcome.html for more information on their courses and online tools.

Options Pricing *(from page 1)*

modern options industry was revolutionized forever. When the Chicago Options Exchange opened in 1973, exactly a month before Black Scholes was published, only 1000 options changed hands on the first day. By 1995, over a million options were trading daily.

The pricing model is complex – too complex for the average Joe on the street. That's why we have calculators. But the concepts can be discussed in general terms with great clarity.

We discussed the general nature of options earlier, including three of the variables mentioned – strike price, stock price and time to expiration. The risk-free interest rate can be considered a constant for practical purposes, as can dividends. The last input variable we need to understand is volatility, possibly the most important and least understood.

At an intuitive level, of course, we understand that volatility simply reflects the tendency of a stock to fluctuate in price. A stock that moves just a small amount each day, if at all, is said to have low volatility. A stock that fluctuates widely is said to be highly volatile.

In the world of options, we consider two different measures of volatility. Historical volatility and implied volatility. Historical volatility is the average volatility of a stock over a longer period of time, such as a 90 days or more. The implied volatility is the volatility of the stock right now. It is called implied because it is the one factor in the pricing of a stock that is not observed directly.

For example, we can pick a strike price and an expiration period and we can see what the stock is currently priced at. We can look up the dividend and we can look up the current risk-free interest rate. But we cannot look up or calculate the implied volatility.

The odd thing about options pricing is that the theoretical Black Scholes model can only give you a fair price for an option based on a specified volatility. Because volatility can change on a short term basis, the actual price of an option can be quite different than the theoretical value calculated using Black Scholes and historical volatility.

Options prices are a market phenomenon and subject to the laws of supply and demand. What Black Scholes does is tell you whether an option is currently over-valued or under-valued according to the historical average.

Why would the implied volatility at a given point in time be different than the historical volatility? There are a number of reasons. Different factors affect the current price of a stock including earnings reports, news both good and bad, and even analyst ratings. The implied volatility of an option is often higher just before an earnings report and then settles down afterwards. The volatility is caused by the uncertainty as to the outcome.

This makes perfect sense when you think about it. Earnings are due. What they are is unknown. Will they beat estimates? If so, by how much? Or will they be a disappointment? The seller of an option, whether a call or a put, faces greater risk just before the earnings announcement. Risk costs money. The options are priced higher, meaning greater implied volatility. The implied volatility is calculated backwards based on the current market price of the option.

Knowing the historical volatility and observing the implied volatility based on the market price of the option, an astute investor can make a good decision on whether to buy or sell an option. In general, when implied volatility is higher than historical volatility, the option is said to be expensive. When implied volatility is less than historical volatility, the option is said to be cheap. And when they are about the same, the option is said to be fairly priced.

The strategy to use is indicated by the old adage – buy low, sell high. When options prices are low, a buying strategy is favored. When option prices are high, a selling strategy is favored.

But what about the trend you ask? That determines whether you should buy or sell puts or calls. Implied volatility tells you whether to buy or sell and trend tells you what to buy or sell.

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Options Pricing *(from page 8)*

Finding Volatility Data

Where can an options investor find volatility information? When you look up a stock using the Online Investor's Toolbox, you'll find a link in the left hand menu to Listed Options. Clicking it will bring up the options price charts if the stock is optionable. Going again to the left hand menu and clicking on Option Greeks brings up a new table charting the variables in the Black Scholes model and the actual price. We've reproduced a partial table below for Microsoft at market close on Dec. 10th.

MICROSOFT CORP (MSFT) **54.0100** **+0.4800**

Symbol	Last	Time	Net	Bid	Ask	Reference price	Div_freq	Div_amt	Historical Volatility
MSFT	54.0100	12/10	+0.4800	53.9500	53.9800	54.01	0	0	21.840%

Calls							Jan 2003	Puts						
icker	Last	T-Val	Delta	Gamma	Theta	Implied Volatility	Strike	Ticker	Last	T-Val	Delta	Gamma	Theta	Implied Volatility
MQF AH	14.50	14.08	1.00	0.000	-0.002	69.06%	40	MQF MH	0.20	0.00	-0.00	0.000	-0.000	58.33%
MQF AV	12.20	11.59	1.00	0.000	-0.002	64.75%	42.5	MQF MV	0.45	0.00	-0.00	0.000	-0.000	59.29%
MQF AI	10.00	9.10	1.00	0.003	-0.003	60.99%	45	MQF MI	0.55	0.00	-0.00	0.003	-0.001	51.50%
MQF AW	7.90	6.64	0.97	0.018	-0.006	56.89%	47.5	MQF MW	0.90	0.04	-0.03	0.018	-0.003	48.57%
MSQ AJ	5.70	4.34	0.88	0.054	-0.012	48.58%	50	MSQ MJ	1.35	0.24	-0.12	0.054	-0.010	44.32%
MSQ AK	2.55	1.13	0.42	0.103	-0.021	42.45%	55	MSQ MK	3.20	2.02	-0.58	0.103	-0.018	39.02%
MSQ AL	0.90	0.13	0.08	0.038	-0.007	40.37%	60	MSQ ML	6.60	6.01	-0.92	0.038	-0.004	36.91%
MSQ AM	0.25	0.01	0.01	0.004	-0.001	39.37%	65	MSQ MM	11.10	10.88	-0.99	0.004	0.002	38.62%
MSQ AN	0.10	0.00	0.00	0.000	-0.000	42.61%	70	MSQ MN	15.90	15.86	-1.00	0.000	0.003	36.89%

The historical volatility is shown near the top right and we see that for Microsoft it is 21.84%. The January options show the implied volatility on Microsoft shares to be high – more than double in most cases. And this is reflected in the prices. The last traded price is significantly higher than the theoretical or T-Value in almost all cases. Note in particular that the at-the-money price is more than double the theoretical price. With prices high, a selling strategy such as covered calls would be appropriate. Note that when buying options, you can be right on predicting the stock's direction but still lose money if the volatility decreases significantly.

Canadian options are traded on the Bourse de Montreal which has a handy options calculator on site. However, you can only use it to calculate the implied volatility for a particular option working from the current market price. The EZ Stock program you can download on our website includes an options calculator that initially gives you historical volatility based on the last 90 days. You can then enter the current option and stock prices to calculate the implied volatility. **Next month: Greeks**

Toolbox Tips

Comparing Apples to Apples

One of our savvy friends, Ken Marlin, who is a whiz with the Toolbox, recommends ignoring historical volatility altogether when buying options. He looks for cheaply priced options using the Volatility Table. Go to Strategies and click on Volatility in the left hand menu. This brings up a table of options prices as shown below:

Symbol (option symbols)	hv20	hv50	hv100	DATE	curiv	Days/Percentile
$BKX,BKZ,BKW,BKV,BIH,BKJ	27	38	40	021213	31	600/ 63%ile

The actual table is much more extensive. The "hv" numbers are historical volatility for the 20, 50 and 100 day periods. "curiv" stands for current implied volatility. But the key figure is the last. The 600/63% figure for BKX and the other options noted means the current implied volatility is higher than the historical volatility in 63% of the last 600 days. The higher the centile, the more expensive the option and conversely, the lower the centile, the cheaper.

Our Model Portfolio

Initial Position: $50,000 (Jan. 11, 2002)

Current Position: $59,579.45 (+19.16%)

Lots of activity in the last month as we were forced out by stops on La Senza, Transforce, SNC-Lavalin, Forzani Group, and Westjet. We replaced La Senza with Niko, and used a cash position to buy into Dalsa. We were whipsawed on both our gold stocks – forced out by stops and then getting new buy signals shortly thereafter. We'll hold cash positions open for Forzani Group and Westjet but are buying new positions in this month's featured stocks on Monday. Cash position: $20,167.85

Forzani Group (FGL – TSX)

# of Shares: 0	**Stopped Out:** +4.3%
Bought on: Oct. 16th	**Price Then:** $18.78
Sold on: Dec. 6th	**At:** $19.60

Notes: We'll continue to hold this cash position open for when Forzani gives us a buy signal.

Peyto Exploration (PEY – TSX)

# of Shares: 825	**Bought on:** July 16th
Price Then: $6.16	**Price Now:** $10.70
Gain: 73.7%	**Stop:** $9.10

Notes: FirstEnergy Capital has given Peyto a target price of $14.50 according to The Growth Report of Oct. 31st.

Dalsa Corporation (DSA – TSX)

# of Shares: 240	**Bought on:** Nov. 18th
Price Then: $18.50	**Price Now:** $18.11
Gain: -2.1%	**Stop:** $17.57

Notes: Dalsa replaced Alimentation Couche-Tard on Nov. 18th. It's hit $19.52 since and is now correcting before its next advance.

Repadre Capital (RPD – TSX)

# of Shares: 967.5	**Bought on:** Dec. 6th
Price Then: $9.10	**Price Now:** $10.80
Gain: 18.7%	**Stop:** $9.61

Notes: Whipsawed on this one as we were forced out by our stop on Nov. 28th and bought back on Dec. 6th! We're glad we did!!!

Goldcorp (G – TSX)

# of Shares: 320	**Bought on:** Dec. 6th
Price Then: $17.15	**Price Now:** $19.75
Gain: +15.2%	**Stop:** $17.58

Notes: Whipsawed on Goldcorp as well as we were forced out by our stop on Nov. 21st only to buy back on Dec. 6th.

SNC-Lavalin (SNC – TSX)

# of Shares: 0	**Stopped Out:** -7.7%
Bought on: Oct. 22th	**Price Then:** $35.05
Sold on: Dec. 6th	**At:** $32.35

Notes: SNC-Lavalin was stopped out on Dec. 6th and we will replace it with Mega Bloks at Monday's opening.

Home Capital Group (HCG.B – TSX)

# of Shares: 370	**Bought on:** Oct. 16th
Price Then: $13.25	**Price Now:** $14.11
Gain: 6.5%	**Stop:** $12.99

Notes: It has gone as high as $14.60 recently and is now testing the moving average. We expect a strong bounce to the upside.

Transforce Income Fund TIF.UN – TSX)

# of Shares: 0	**Stopped Out:** +96.4%
Bought on: Apr. 12th	**Price Then:** $3.75
Sold on: Nov. 22nd	**At:** $7.27

Notes: We were finally forced out of Transforce by our stop loss with a nice profit. We'll re-invest Monday in IPL Inc.

Niko Resources (NKO – TSX)

# of Shares: 135	**Bought on:** Nov. 26th
Price Then: $22.25	**Price Now:** $23.60
Gain: 6.1%	**Stop:** $21.56

Notes: Niko replaced La Senza in our portfolio and is doing nicely. We expect growth to continue.

Westjet Airlines (WJA – TSX)

# of Shares: 0	**Stopped Out:** -5.3%
Bought on: Oct. 18th	**Price Then:** $18.54
Sold on: Dec. 10th	**At:** $17.56

Notes: An earnings warning devastated Westjet on Dec. 9th, forcing us out the next morning. We're holding the cash for now.