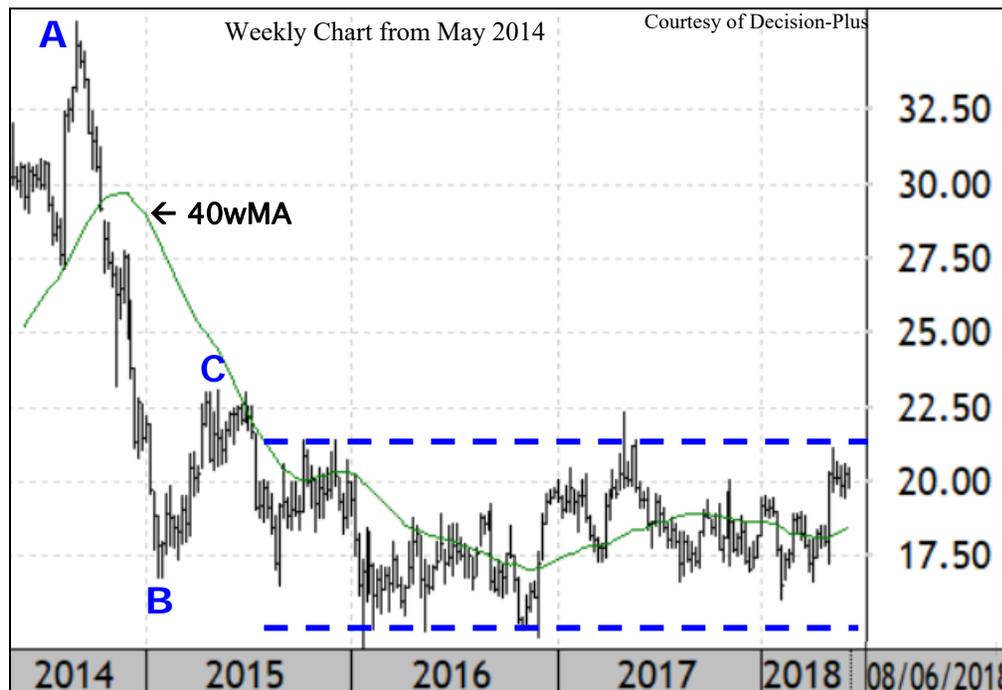


PHASES & CYCLES[®]

PASON SYSTEMS POTENTIAL BREAKOUT

Sector: Energy – Oil & Gas Exploration & Production
(PSI-T: \$20.10; Dividend: \$0.68; Yield: 3.13%; Market Cap \$1.71B)



Pason Systems had a sharp decline from \$35.51 in 2014 to \$16.79 in early-2015 (A-B). It had a one-third recover rally to \$23.10 in mid-2015 (C) and then settled in a large trading range mostly between \$15.00 and \$21.50 (dashed lines) for 3 years.

A sustained rise above \$21.50-22.00 would signal a breakout from this range, renewed investor interest and the start of a new up-leg.

Behaviour indicators including the rising 40-week Moving Average (40wMA) confirm the bullish potential. Only a sustained decline below \pm \$18 would be negative.

A rise above \$21.50-22.00 would signal Point & Figure targets of \$24 and \$27 (12% and 26% appreciation potentials from breakout levels).

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Ron Meisels**

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