

## CANOPY GROWTH CORP. HAD A BREAKOUT

**Sector: Health Care – Pharmaceuticals**

(WEED-T: \$32.38; Dividend: \$0.00; Yield: 0.00%; Market Cap \$6.45B)



Canopy Growth had a sharp rise from \$8.36 in 2017 to \$44.00 in early-2018 (A-B), where it became extremely overbought and quite far above its 40-week Moving Average (40wMA). Subsequently, it settled in a technical pattern called a *triangle* formation made up of lower highs and higher lows (dotted lines) while the 40wMA caught up to the price.

The recent rise from the apex of this triangle signaled a breakout from this pattern, renewed investor interest and the start of a new up-leg (C).

Behaviour indicators including the rising 40wMA confirm the bullish status. There is good support near \$27-28 and only a sustained decline below \$24-25 would be negative.

**Point & Figure measurements provide targets of \$37 and \$42 (14% and 30% appreciation potentials from current levels). Higher targets are visible.**

PAC-18-76; WEED-1; May 15, 2018

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