



## Westport Innovations (WPT: \$6.37)

May 27, 2009

**Target: \$9.00**

Reversal Level: \$5.70



### Westport Innovations is trying to build a short-term base.

After reaching a high of \$17.92 in April 2008 (A), Westport Innovations had a major decline to \$4.36 in October 2008 (B). Since then, the stock has been trading within a horizontal range mostly between \$4 and \$7.50 (see dashed lines). During this period, the stock intersected its flattening 50-day moving average (50dMA) on several occasions. Currently, the stock has rallied above the 50dMA and approached the top of the trading-range and the 200-day moving average (C). A decisive breakout above the resistance at \$7-7.50 would confirm the start of an intermediate-term rally toward higher targets.

Only a decline below \$5.70 would cancel the upside potential of this stock.

***A decisive move above \$7.50 would provide a technical target of \$9 (a 41% appreciation potential from current levels).***