

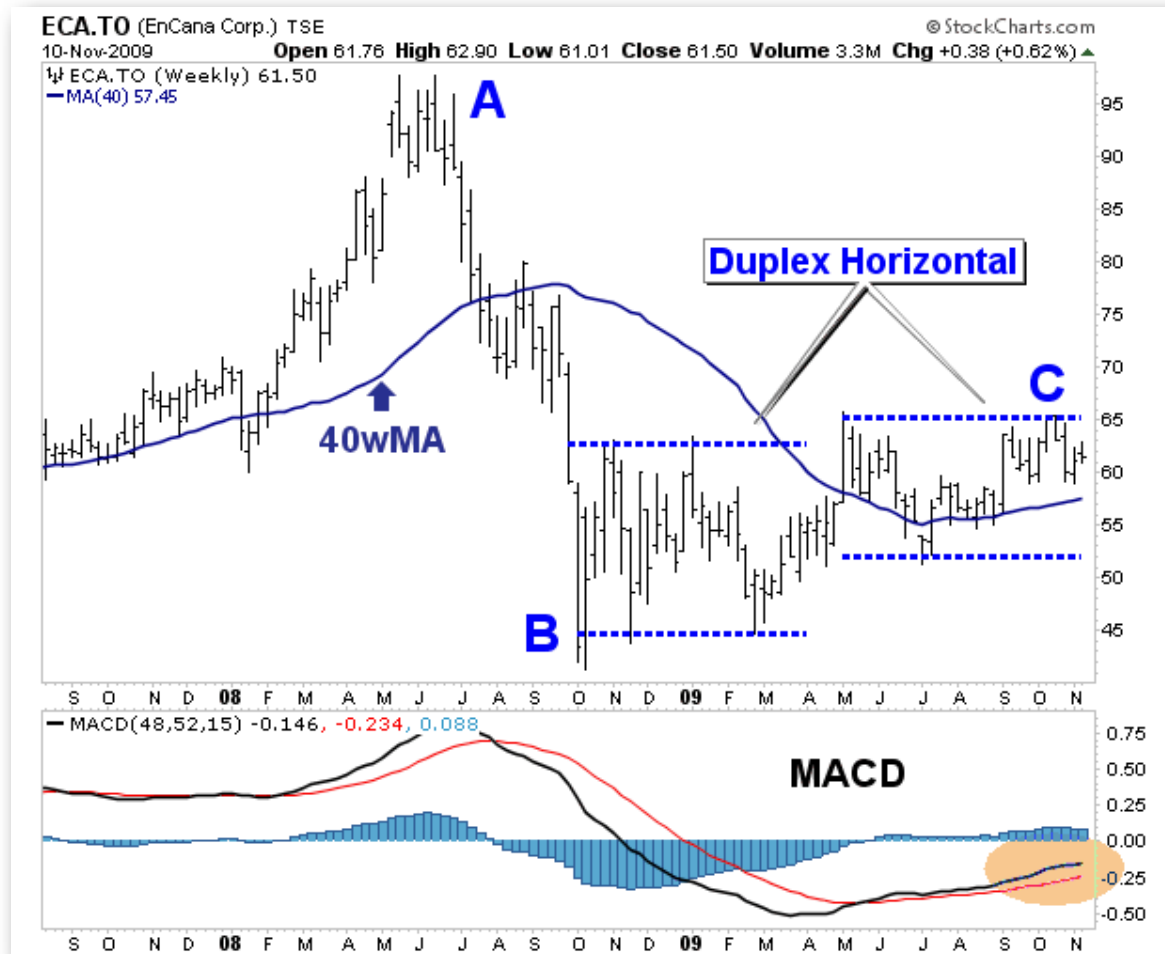


Encana (ECA: \$61.50)

November 10, 2009

**Target: \$89.00**

Reversal Level: \$55.00



### Encana has higher targets.

From the high of \$97.64 in June 2008, Encana had a sharp decline to \$41.36 in October of the same year (A-B). This decline was followed by two horizontal trading ranges, the first mainly between \$45 and \$60 and the second mainly between \$54 and \$65 (see dashed lines). This price action produced a bullish technical pattern known as *Duplex Horizontal*. Recent action signals a bullish potential and a move above \$65-\$66 (C) will confirm the start of a new up-leg.

Technical indicators including the rising 40-week moving average, the VSI and the MACD (see lower panel) confirm the bullish status. Only a decline below \$55-\$56 would reverse the current positive status of this stock.

**Technical measurements provide targets of \$79 and \$89 (28% and 44% appreciation potentials from current levels). The large Duplex Horizontal (see dashed lines) supports higher targets.**