

Technical Perspectives on Analyst's Rating Changes

BLG - case study
06-27-2008

BLG – The TPARC report for June 28, 2006 called attention to the downtrend that was in place at that time and indicated that the stock had "limited upside potential." The stock continued its descent dropping from over \$18 per share to under \$2 per share currently. The stock remained below the 45-degree Bearish Resistance Line throughout the decline. This is yet another example of the dangers of "bottom fishing." The analyst's "mkt. outperform" rating proved to be unwise.

W. Clay Allen CFA

