

Technical Perspectives on Analyst's Rating Changes

TRMP case study

08-10-2008

TRMP – In this case, the analyst was correct to downgrade this stock from "peer perform" to "under-perform." The TPARC report from June 5, 2007 called attention to the major top that had formed and concluded that the stock offered only "limited upside potential." The downtrend has followed through and the stock has lost most of its value in the fall from about \$16 per share to under \$2 per share, in little more than a year. Major tops such as that shown on the chart of TRMP are usually quite dangerous and often lead to serious declines in price.

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