



Snap-On (SNA: US\$43.01)

May 26, 2010

Target: \$64.00

Reversal Level: \$40.00



Snap-On had a major breakout.

From the high of \$60 in September 2008 (A), Snap-On had a sharp decline toward \$27 (B) and then settled into a horizontal trading range between \$25 and \$40 for about a year (dashed lines). The stock had a breakout above this large area of accumulation recently and reached a high of \$49.98 (C). This move confirms the start of a new major up-leg toward higher targets.

Technical indicators including the rising 40-week (200-day) moving average, the VSI, the long-term rising trendline (dotted line) and the MACD (see lower panel) confirm the bullish status. Only a decline below the 40wMA (currently at ±\$40) would reverse the current long-term up-side potential.

Point & Figure measurements provide targets of \$59 and \$64 (37% and 48% appreciation potentials from current levels). The large area of accumulation (dashed lines) supports higher targets.