

CAMECO CORPORATION

Price (intra-day Dec. 1, 2010)	\$37.95
52-Week Range	\$38.57-\$21.64
Shares O/S	393.46 million
Market Cap	\$14.93 billion
Enterprise Value (Sep. 30/10)	\$11.31 billion
Enterprise Value Per Share	\$28.76
50-day Average Volume	1,198,300
200-day Average Volume	1,132,400
Fiscal Year-End	December 31
Symbol	TSX/NYSE: CCO
Website	www.cameco.com

Financial Data

Selected Income/Cash Flow

US\$millions; 12 months to	Dec/2008	Dec/2009	Sep/2010
Revenues	\$2,183	\$2,315	\$2,109
EBITDA	\$880	\$788	\$702
Net Income	\$450	\$1,099	\$907
Cash Flow From Ops	\$530	\$690	\$575

Selected Balance Sheet	At Dec-08	At Dec-09	At Sep-10
Cash (& Equivalents)	\$64	\$1,304	\$1,270
Total Debt	\$1,626	\$1,338	\$1,332
Shareholders' Equity	\$3,514	\$4,844	\$5,055
Total Assets	\$7,011	\$7,342	\$7,427
Enterprise Value	\$9,849	\$13,363	\$11,314

Key Ratios	Dec/2008	Dec/2009	Sep/2010
EBITDA Margin	40.3%	34.0%	33.3%
Return on Equity (ROE)	12.8%	22.7%	17.9%
Return on Assets (ROA)	6.4%	15.0%	12.2%
Total Debt/Total Capital	31.6%	21.6%	20.9%
Cash Flow/Total Debt	0.33x	0.52x	0.43x
Earnings Per Share	\$1.29	\$2.83	\$2.30
Cash Flow Per Share	\$1.51	\$1.78	\$1.46
Cash Per Share	\$0.16	\$3.32	\$3.23
Equity Per Share	\$9.61	\$12.33	\$12.85
Enterprise Value Per Share	\$26.93	\$34.02	\$28.76
Multiples	At Dec-08	At Dec-09	At Sep-10
Price/EPS	16.37x	11.97x	12.41x
Price/EBITDA	9.42x	16.92x	16.03x
Price/Cash Flow	15.65x	19.31x	19.56x
Price/Enterprise Value	0.84x	1.00x	0.99x

eResearch Analyst: Bob Weir, B.Sc., B.Comm., CFA
 the UpTrend.com Analyst: Stephen Whiteside

eResearch Corporation	theUpTrend.com
56 Temperance Street	2 Bloor Street West
Suite 501	Suite 100
Toronto, ON M5H 3V5	Toronto, ON M4W 3E2
Telephone: 416-643-7650	Telephone: 416-915-6396
Toll Free: 877-856-0765	

Note: Report prepared with public information only.



Source: www.bigcharts.com

PROFILE

Cameco Corporation is one of the world's largest uranium producers. The Company's uranium products are used to generate electricity in nuclear energy plants around the world. Uranium provides one of the cleanest sources of energy currently available. Cameco's head office is in Saskatoon, Saskatchewan.

Cameco has about 20% of global uranium mine supply. In Canada, the Company's mines include the McArthur River mine (70%), the Key Lake mill (83%), the Rabbit Lake mine and mill (100%), and the Cigar Lake project (50%). Cameco has a 31.6% interest in the Bruce Power Limited Partnership.

In the United States, Cameco operates the Smith Ranch-Highland and Crowe Butte uranium mines. The Company also has a Fuel Services division that provides uranium refining, conversion, and fabrication services.

Cameco recently announced that it has signed an agreement with China Guangdong Nuclear Power Holding Co., Ltd. (CGNPC) to supply 29 million pounds of uranium concentrate under a long-term agreement through 2025. This is a significant step for Cameco in the world's fastest-growing uranium market. CGNPC has 14 nuclear power units currently under construction and is commencing preliminary work on another nine units. This agreement positions Cameco well to serve CGNPC's growing uranium requirements.

Cameco Runs Into A Wall @ \$38.00 – Time to Take Some Profits?

When a stock is up more than 75% over a five- month period, it becomes emotionally and psychologically difficult to sell some, or all, of it. To minimize this emotional attachment, exemplifying with a stock like Cameco, a sound investment strategy would be to sell a meaningful position in portions.

COMMENT: For the reasons outlined below, we recommend investors sell some, but not all, of a Cameco holding at current prices.

CHART #1: THREE BEARISH REVERSAL SIGNALS

Since putting in a Bullish Reversal week in early July (circled), Cameco has been able to trade through three weekly Bearish Reversal signals. (That is the sign of a very strong stock!)

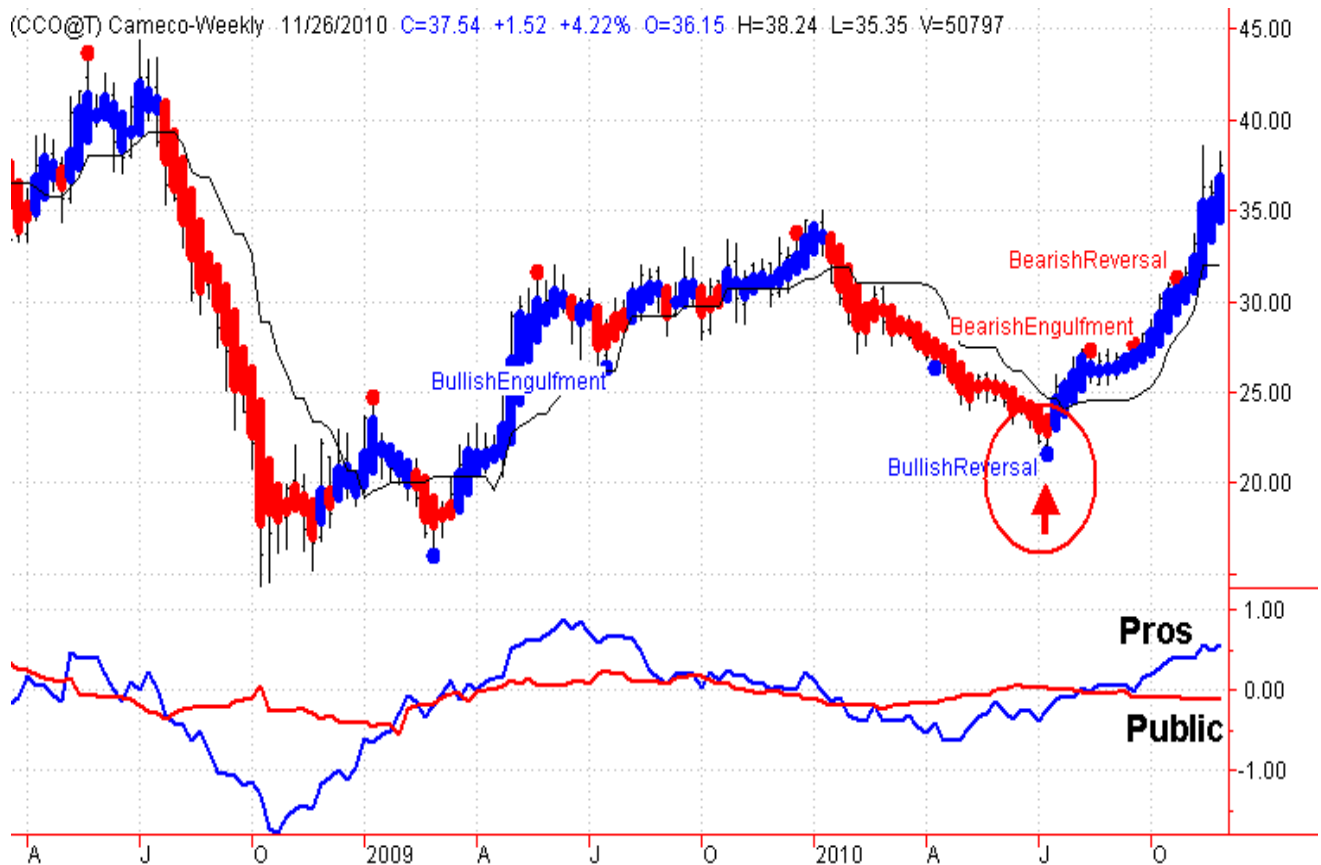


CHART #2: LOW-RISK BUYING OPPORTUNITIES

As Chart 2 below shows, at the time of the July Low/Bullish Reversal week, Cameco was in the middle of a (second) Low-Risk Buying Zone (right arrow).



At that time, Cameco was ranked a “0” on a scale of 0 to 10 on our weekly chart, indicating that the stock was very “oversold”.

As shown above, the stock is now ranked a “10”, indicating the exact opposite, that it is now very “overbought”.

CHART #3: WEEKLY BUY SIGNAL @ \$25.35 IN JULY

One week after the weekly Bullish Reversal Signal, a Weekly “Buy” signal was given at \$25.35, as shown on Chart 3 below.

This Buy signal is still in place, and the stock trading above the upper channel line indicates that the major UpTrend is still in place.

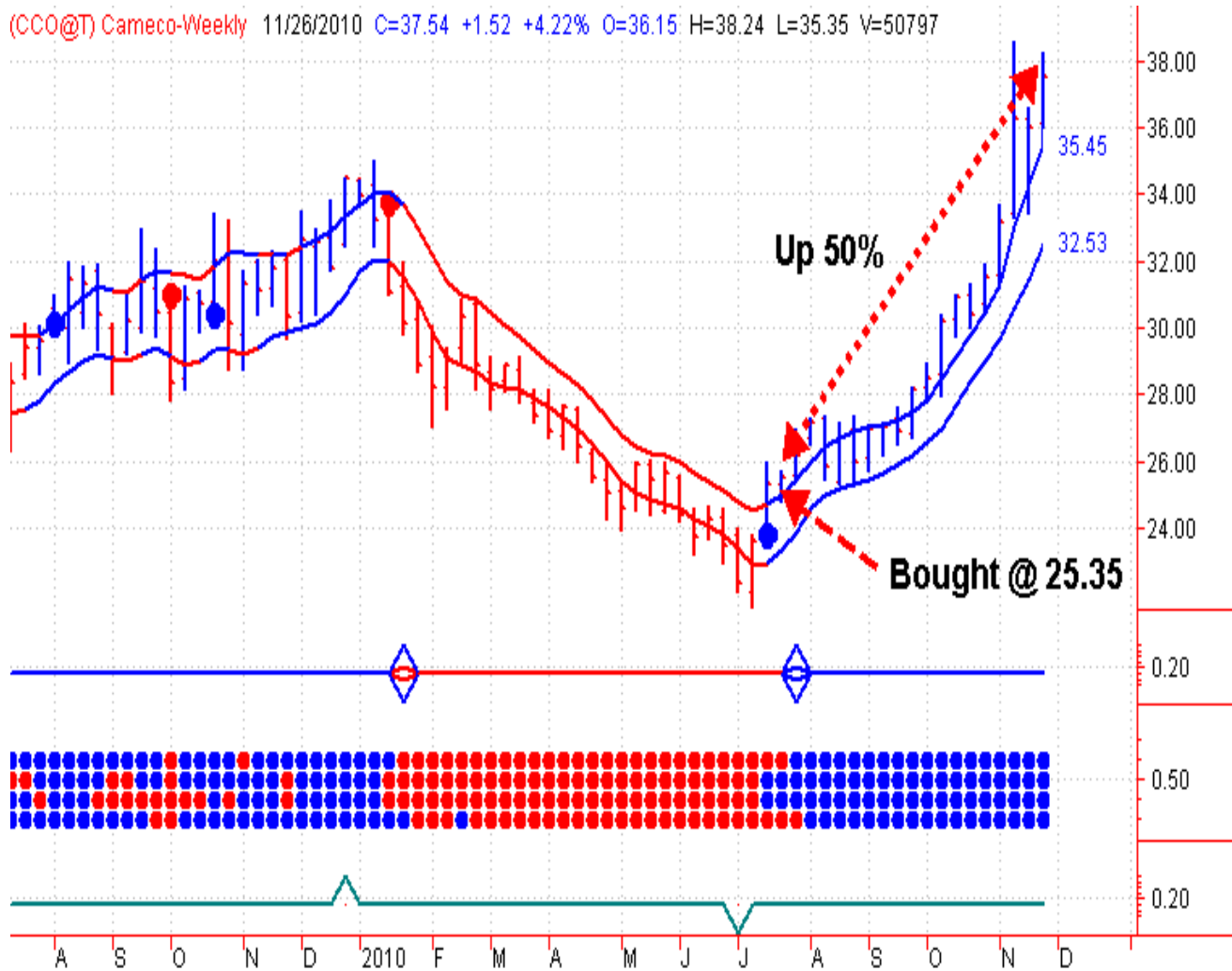
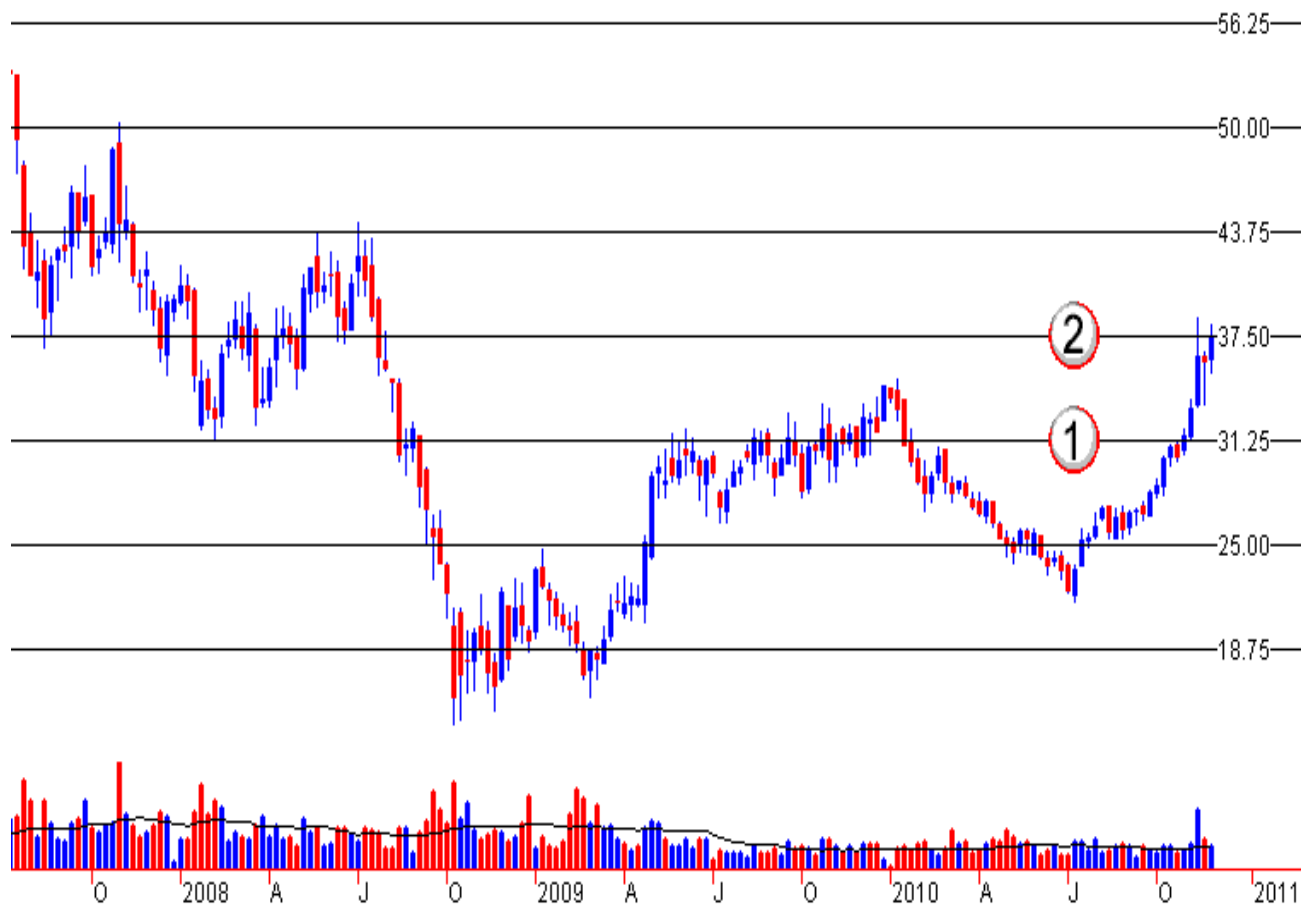


CHART #4: WEEKLY PRICE TARGETS

At the time of the Buy signal, the weekly Price Target chart, below, mapped out targets at \$31.25 (1) and \$37.50 (2).

(CCO@T) Cameco-Weekly 11/26/2010 C=37.54 +1.52 +4.22% O=36.15 H=38.24 L=35.35 V=50797



A sensible plan formulated at the time (i.e., at the beginning of July when the Buy signal was given), would be to sell part (say 1/3) of a position at Target #1 (\$31.25), and then part (say another 1/3) at Target #2 (\$37.50). The remainder of the position (the final 1/3) would be held until either a new Sell signal was given, or the stock reached Target #3 at \$43.75 (the previous high in May and July in 2008).

CHART #5: CHANNEL LINES REMAIN BULLISH

On the current weekly chart, a new weekly Sell signal would not be generated until a close below \$32.53.

The channel lines are still pointed up, indicating that the break-down point will continue to rise if the stock does not turn down right away.

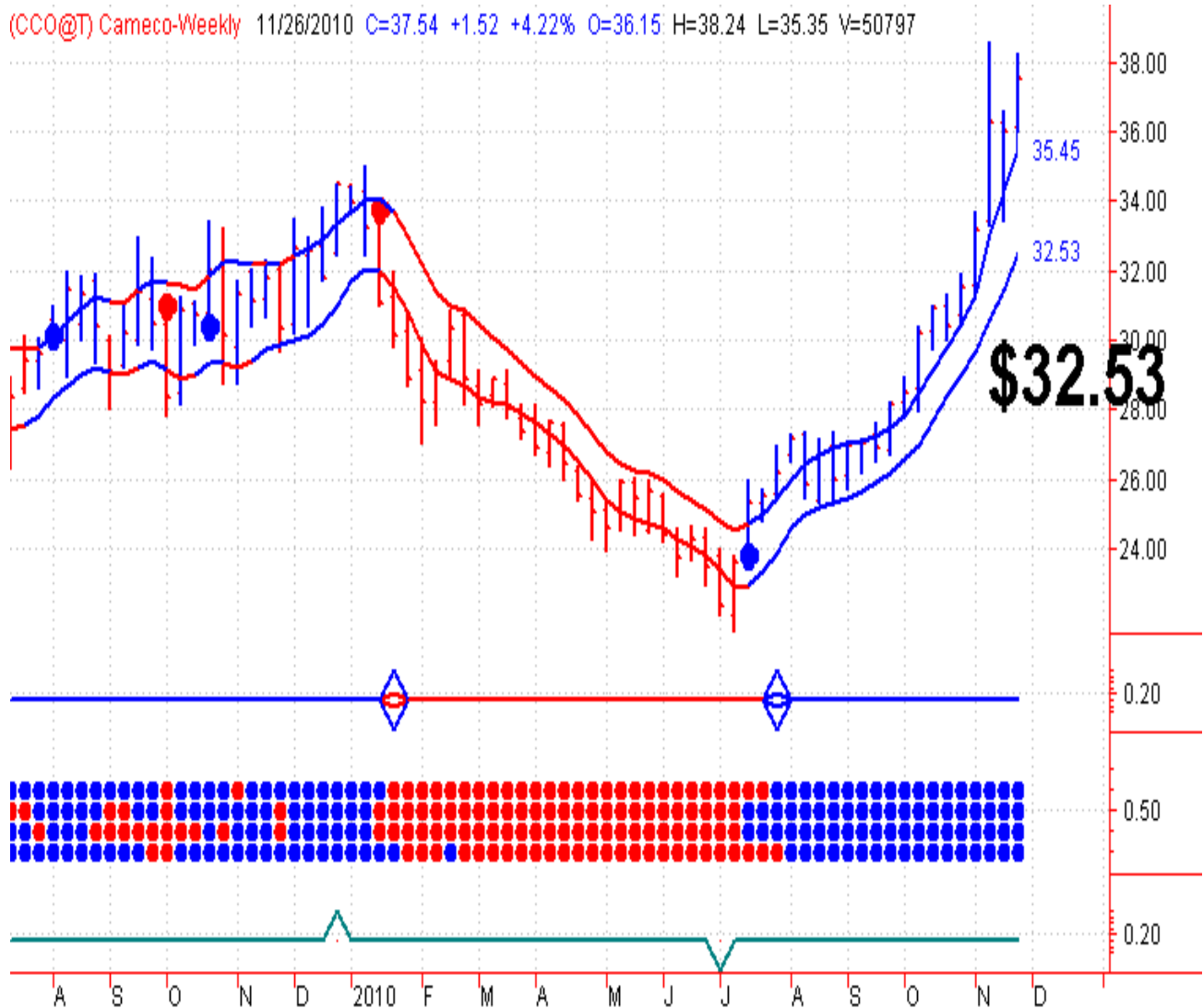


CHART #6: DOUBLE TOP FORMING NEAR \$38.00 ???

Switching from weekly charts to daily charts, the first thing to notice is the Double Top pattern that is currently developing near \$38.00, which is where the stock is now trading.

This pattern would not be confirmed until a new Sell signal is generated, which has not happened yet.

Chart 6, below, indicates a Sell signal is not given until Cameco closes below \$34.75.

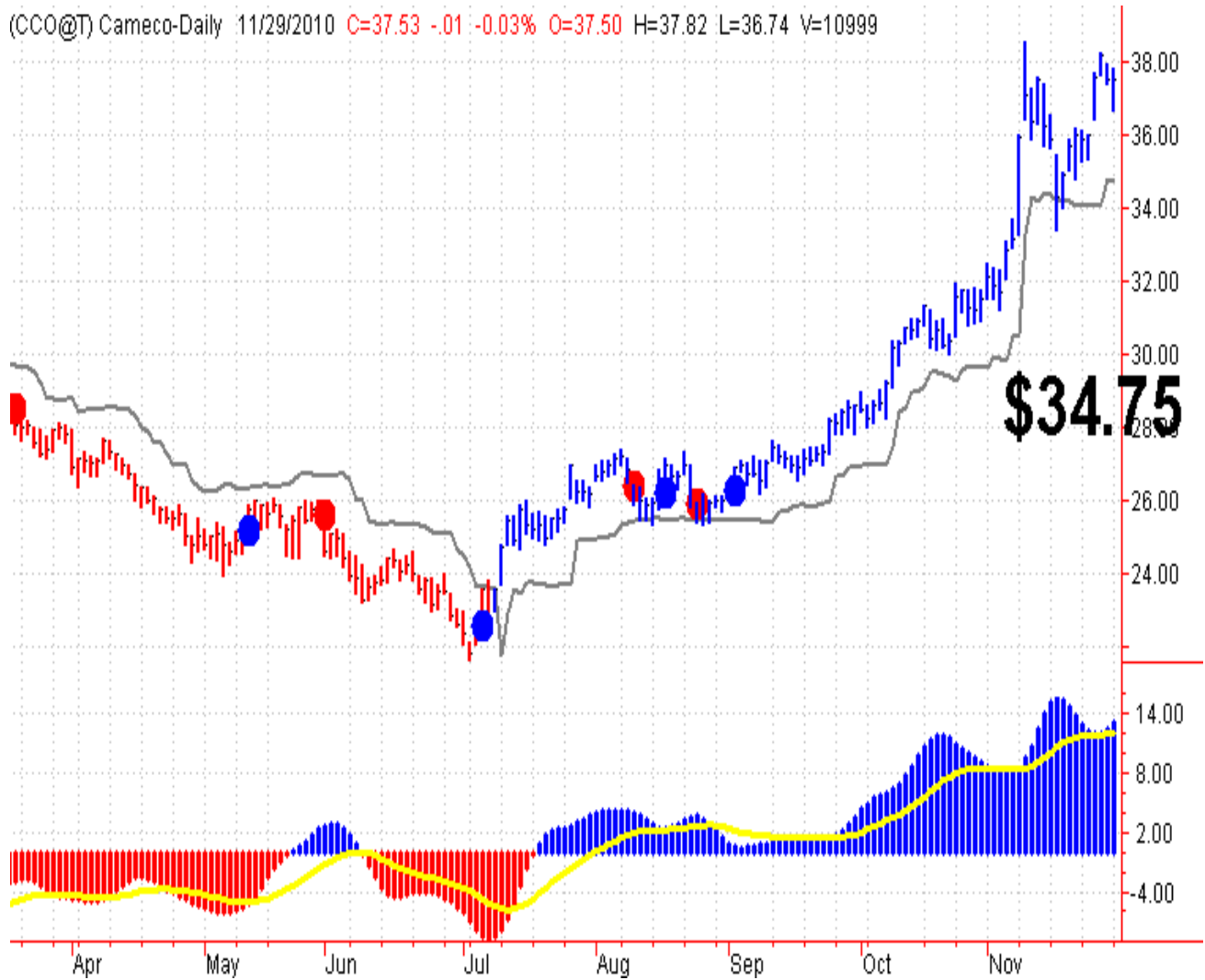


CHART #7: AGGRESSIVE TRADING STOP @ \$35.86

More aggressive traders would consider a close below \$35.86 as an exit strategy.

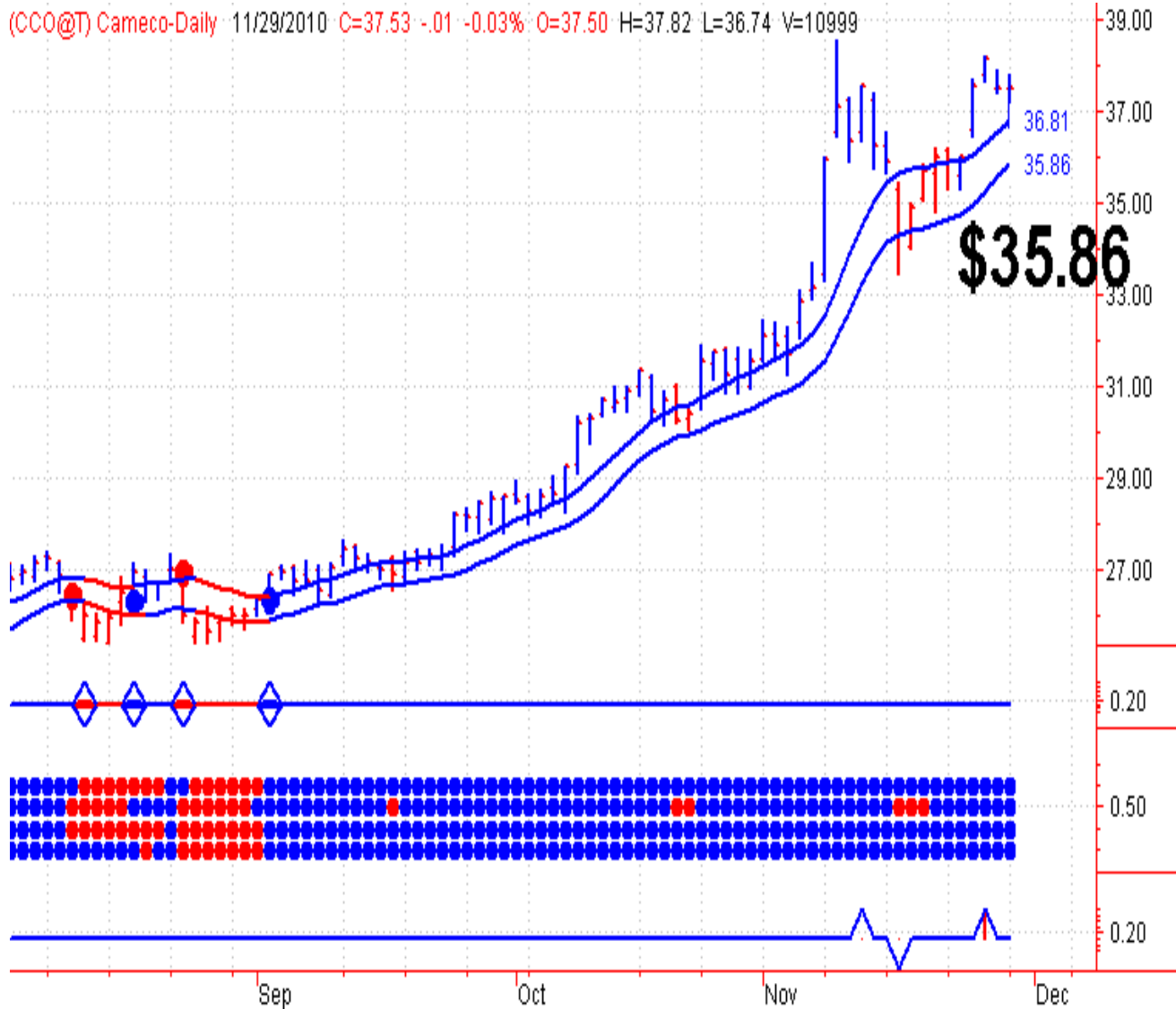


CHART #8: TREND-LINE BREAK POINTS

Another way to confirm weakness is a Trend-line Break.

Using the daily Fly Paper chart (below), a Trend-line Breakpoint occurs @ \$35.20, a price-point that is rising.

Given this (current) \$35.20 breakpoint, where could this stock settle on a pullback?

Again using the daily Fly Paper chart, on a pullback, the stock can be expected to “get stuck” in the Fly Paper Channel in the \$30.00-\$31.50 area.

This Support Zone will continue to rise over time until the UpTrend is over.

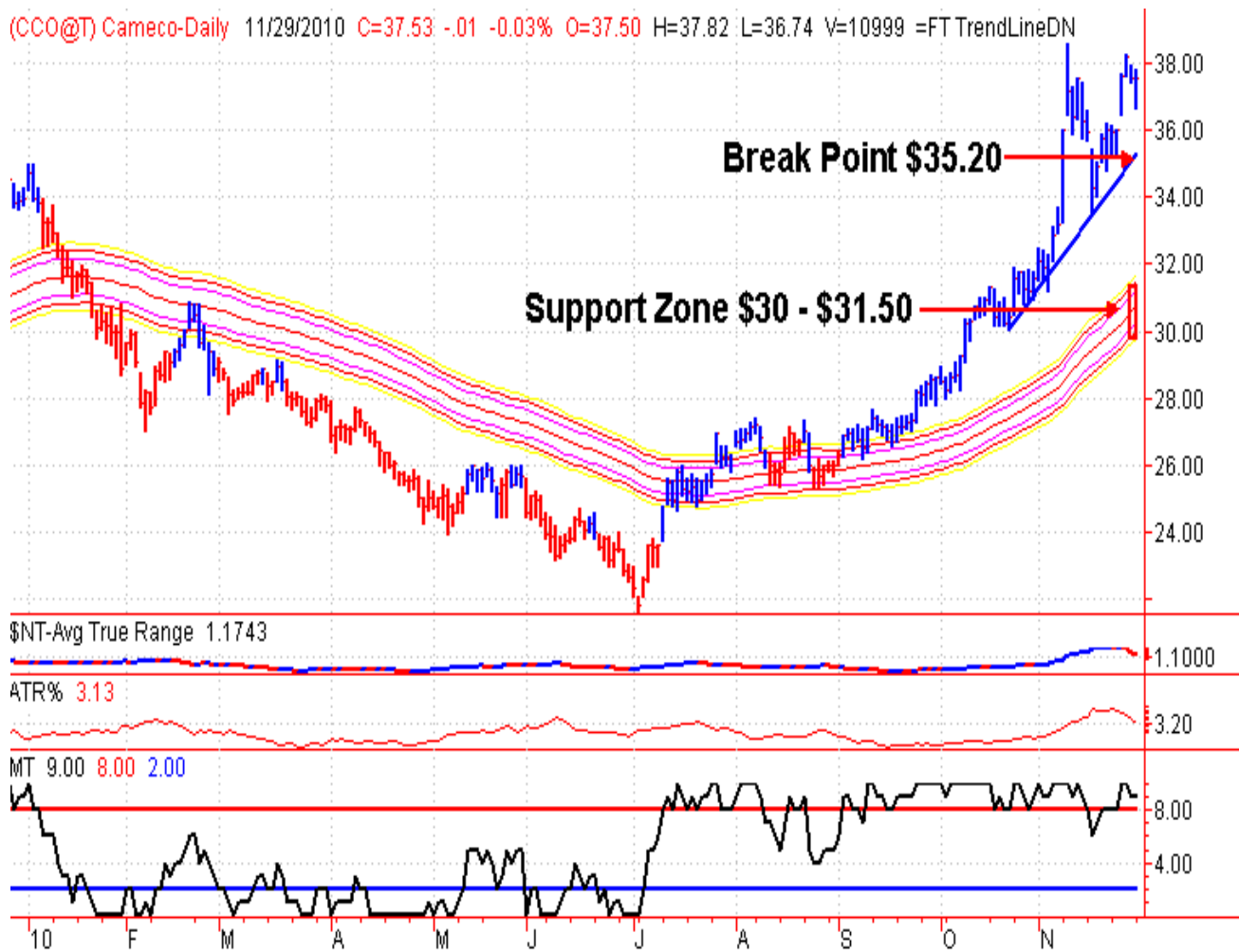


CHART #9: SUPPORT LEVELS

Is the Support Zone indicated in the previous chart a reasonable downside target?

Using the Daily Price Target chart (below), two lines down takes the stock to \$31.25 (2), which is right in the previously-identified Support Zone.

This chart shows that there is Support between \$30.00 and \$31.25. A break-down below \$31.25 on the Daily Price chart would take the stock down to \$28.13 (3).

(CCO@T) Cameco-Daily 11/29/2010 C=37.53 -01 -0.03% O=37.50 H=37.82 L=36.74 V=10999

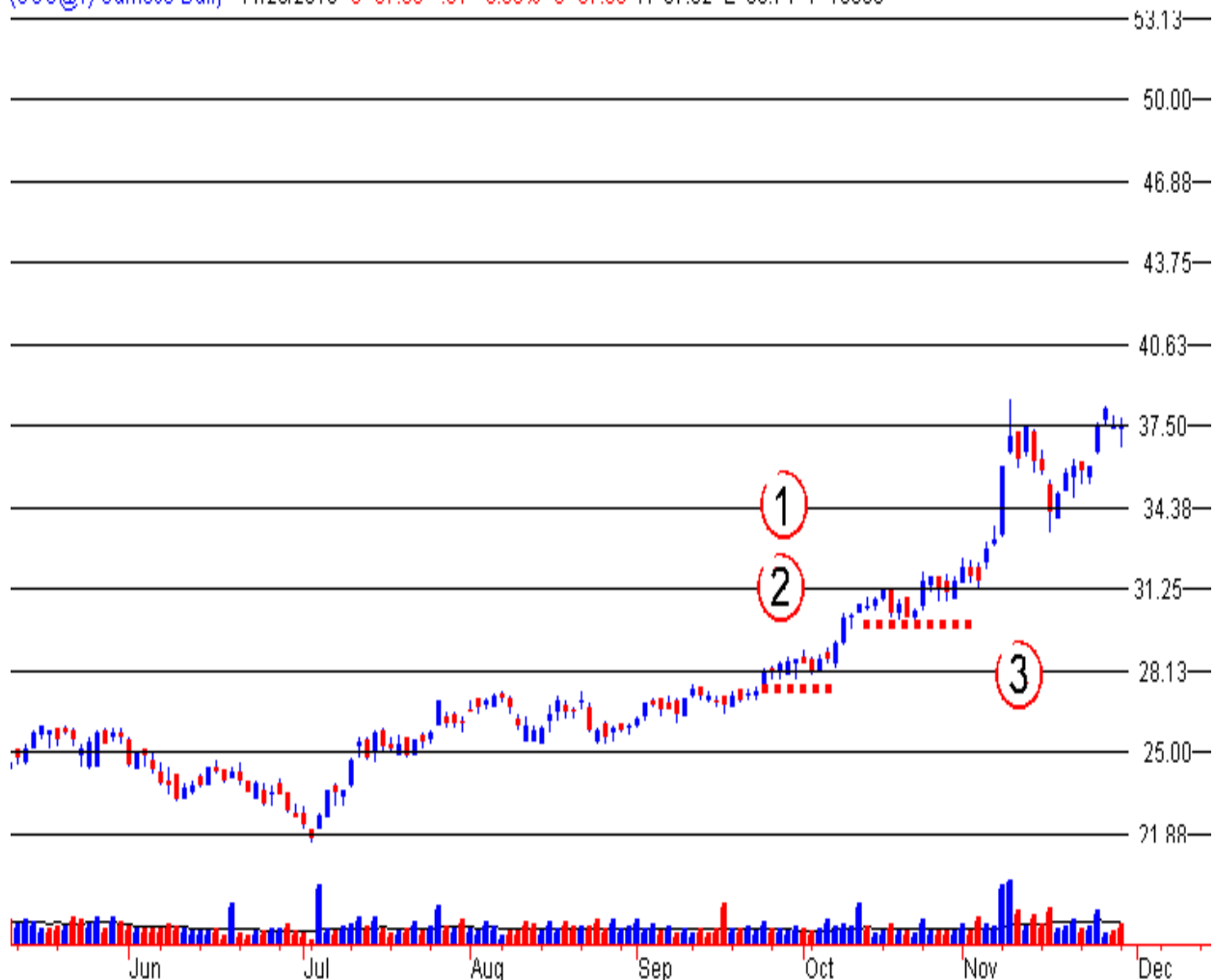
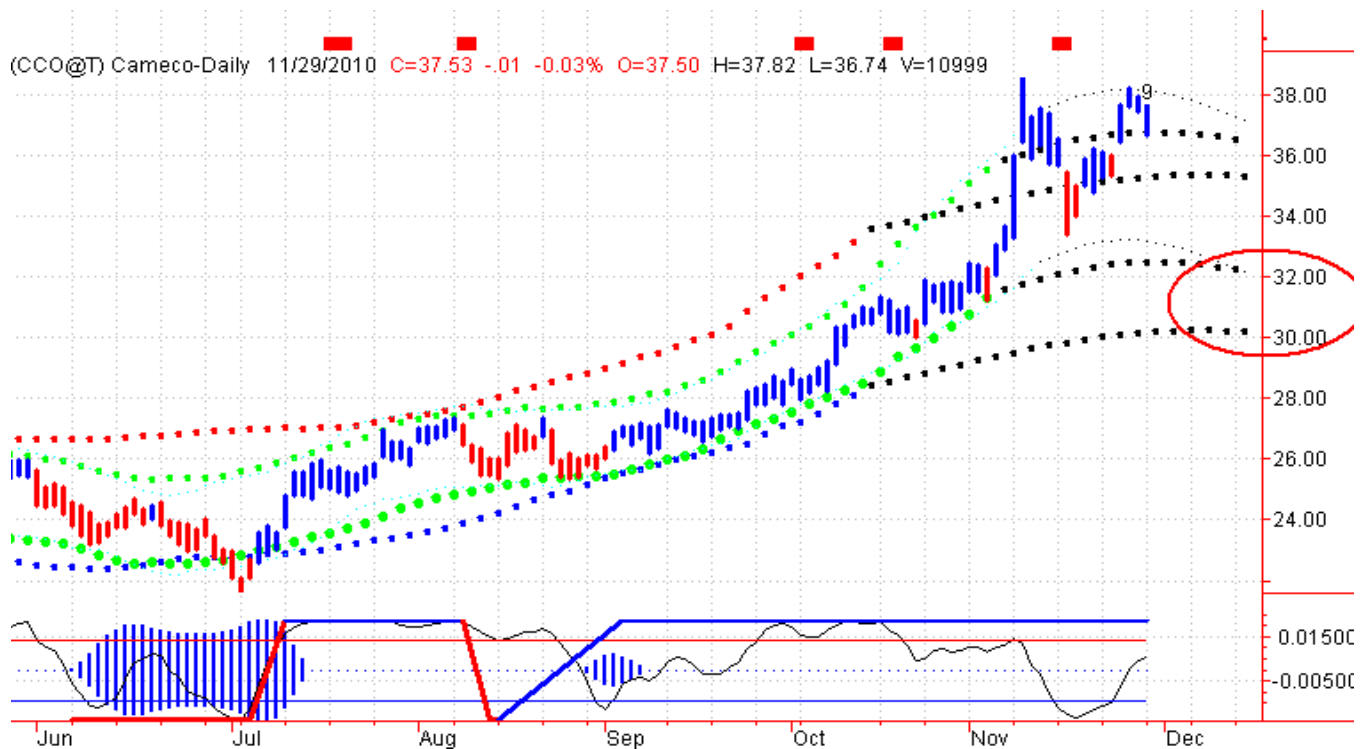


CHART #10: SUPPORT ZONE CONFIRMATION

The above projections fit right in line with the Daily Panic Zone Chart, which is currently projecting a move down to \$30 - \$32 (circled).



TECHNICAL COMMENT

As this report is written, there is nothing negative, from a technical perspective, to say about Cameco's stock price.

So, why do we recommend selling all, but not part, at the current time?

When an investor gets overly attached to a stock, it is often difficult to sell into strength and lock in some profits. However, this might be a good time to do just that, i.e., lock in some profits!

This stock has performed exactly what we expected it would do. It moved up 2 price targets on the weekly chart, and has stopped at projected resistance near \$38.00. It has made two attempts at breaking through this resistance point, and it failed. This second failure now looks like a Double Top chart pattern. A failure would be confirmed with a daily Sell signal, at \$35.86 (aggressive traders), or \$34.75 (position traders), or a Trend-line break.

COMMENT: *We are not advocating selling an entire portion in Cameco, but enough to crystallize some obvious profits. Remember a sage investment adage: Bulls make money; Bears make money; Pigs get slaughtered.*



DISCLAIMERS

eResearch Disclosure Statement

eResearch operates two business segments: (1) the provision of equity research to the investment community; and (2) the offering of its abilities to assist companies raise capital.

The research activities and operations of eResearch are carried out solely by its Research Services division, which provides published research and analysis to the investing public on its website (www.eresearch.ca), through its extensive electronic distribution network, and through newswire agencies. eResearch makes all reasonable efforts to provide its research, via e-mail, simultaneously to all subscribers.

The capital raise activities and operations of eResearch are carried out solely by its Capital Services division, which engages only in capital market services with Corporate Issuers and Accredited Investors. eResearch does not manage money or trade with the general public which, combined with the full disclosure of all fee arrangements, the strict application of its Best Practices Guidelines, and the creation of an effective "Ethical Wall" between the Research Services and the Capital Services divisions, should eliminate potential conflicts of interest.

theUpTrend.com Disclosure Statement

TheUpTrend.com is an information service for investors and traders, and is neither a recommendation nor an offer to buy or sell securities. TheUpTrend.com is not a broker or an investment adviser, and is not acting in any capacity to influence the purchase of any security.

TheUpTrend.com and its personnel may already have positions in equities presented.

TheUpTrend.com, its officers, directors, employees, and consultants shall not be liable for any damages, losses, or costs of any kind or type arising out of or in any way connected with the use of its products or services.

In many instances, securities presented should be considered speculative with a high degree of volatility and risk. Before trading securities, an investor or trader should consult with a qualified broker, investment adviser, and/or other market professionals.

All commentaries, suggestions, recommendations, and trade decisions are based solely on technical analysis and are not based upon company fundamentals, news, earnings, or rumors. Past performance is not indicative of future performance.

Further information regarding theUpTrend.com can be obtained from its website: www.theuptrend.com.