

TRANSCANADA CORPORATION

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|----------------------------|---------------------|
| Price (June 25, 2009) | \$31.30 |
| 52-Week Range | \$40.65-\$28.86 |
| Shares O/S | 618.6 million |
| Market Cap | \$19.36 billion |
| Enterprise Value | \$39.40 billion |
| Enterprise Value Per Share | \$63.68 |
| 50-day Avg Volume | 2,186,100 |
| 200-day Avg Volume | 2,186,300 |
| Fiscal Year-End | December 31 |
| Symbol | TSX: TRP |
| Website | www.transcanada.com |

Financial Data

Selected Income/Cash Flow

| C\$millions; 12 months ended | Dec-07 | Dec-08 | Mar-09 |
|------------------------------|-----------|-----------|-----------|
| Revenues | \$8,828 | \$8,619 | \$8,866 |
| EBITDA | \$4,255 | \$3,630 | \$3,704 |
| Net Income | \$1,223 | \$1,440 | \$1,325 |
| Cash Flow (CF) From Ops | \$2,621 | \$3,021 | \$2,865 |
| Selected Balance Sheet | At Dec-07 | At Dec-08 | At Mar-09 |
| Cash (& Equivalents) | \$504 | \$1,308 | \$2,232 |
| Total Debt | \$15,232 | \$20,145 | \$22,265 |
| Shareholders' Equity | \$9,785 | \$12,898 | \$13,067 |
| Total Assets | \$30,330 | \$39,414 | \$43,351 |
| Working Capital | (\$730) | (\$1,330) | \$641 |
| Working Capital Ratio | 0.76x | 0.73x | 1.16x |
| Key Ratios | At Dec-07 | At Dec-08 | At Mar-09 |
| EBITDA Margin | 48.2% | 42.1% | 41.8% |
| Return on Equity (ROE) | 12.5% | 11.2% | 10.1% |
| Return on Assets (ROA) | 4.0% | 3.7% | 3.1% |
| Total Debt/Total Capital | 60.9% | 61.0% | 63.0% |
| Cash Flow/Total Debt | 0.17x | 0.15x | 0.13x |
| Earnings Per Share | \$2.27 | \$2.34 | \$2.14 |
| Cash Flow Per Share | \$4.86 | \$4.90 | \$4.63 |
| Cash Per Share | \$0.93 | \$2.12 | \$3.61 |
| Equity Per Share | \$18.13 | \$20.92 | \$21.12 |
| Multiples | At Dec-07 | At Dec-08 | At Mar-09 |
| Price/ EPS | 17.89x | 14.20x | 13.93x |
| Price/EBITDA | 5.14x | 5.63x | 4.98x |
| Price/ Cash Flow | 8.35x | 6.77x | 6.44x |

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Note: Report prepared with public information only.



Source: www.bigcharts.com

PROFILE

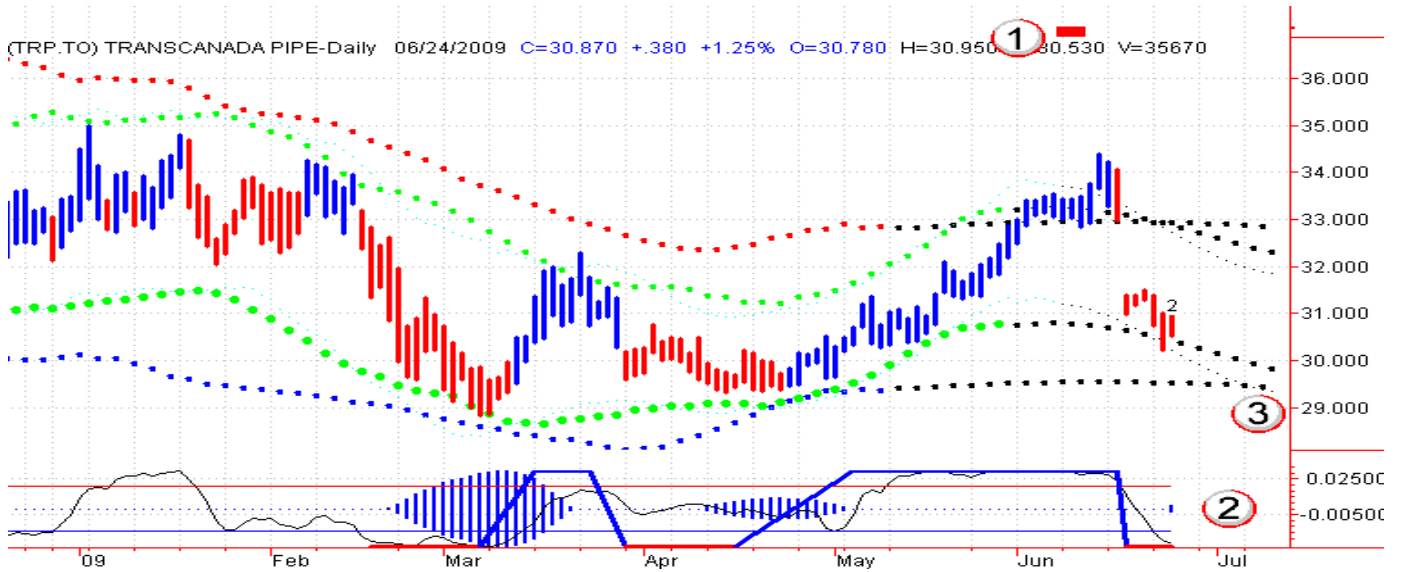
TransCanada Corporation is a major North American energy company based in Calgary, Alberta. The Company's two business segments are Pipelines and Energy.

The Pipelines segment includes its approximate 60,000 km of pipelines in Canada, the United States, and Mexico, which connect with almost all of the major gas supply basins in North America, and its approximate 350 billion cubic feet of regulated natural gas storage business in the United States.

The Energy segment includes its approximate 10,000 megawatts of power generation in Canada and the United States, its non-regulated natural gas storage business in Canada, and its liquefied natural gas projects in Canada and the United States.

The Company recently announced that it will purchase the remaining interest in the \$12 billion Keystone oil sands pipeline project that eventually will connect Alberta with Texas and the Gulf coast. Total capacity of Keystone is 1.1 million barrels a day, and TransCanada already has long-term shipping contracts for 0.9 million barrels a day, with the possibility to add a further 0.4 million barrels a day depending upon demand.

Since the last Early Warning Sell Signal (1) appeared on June 9th, TransCanada has lost nearly 10% from its recent high. While this drop is significant, the Panic Zone chart is not yet satisfied that the end of selling has occurred (2), and is indicating the possibility of lower prices into the \$29.50 area (3).



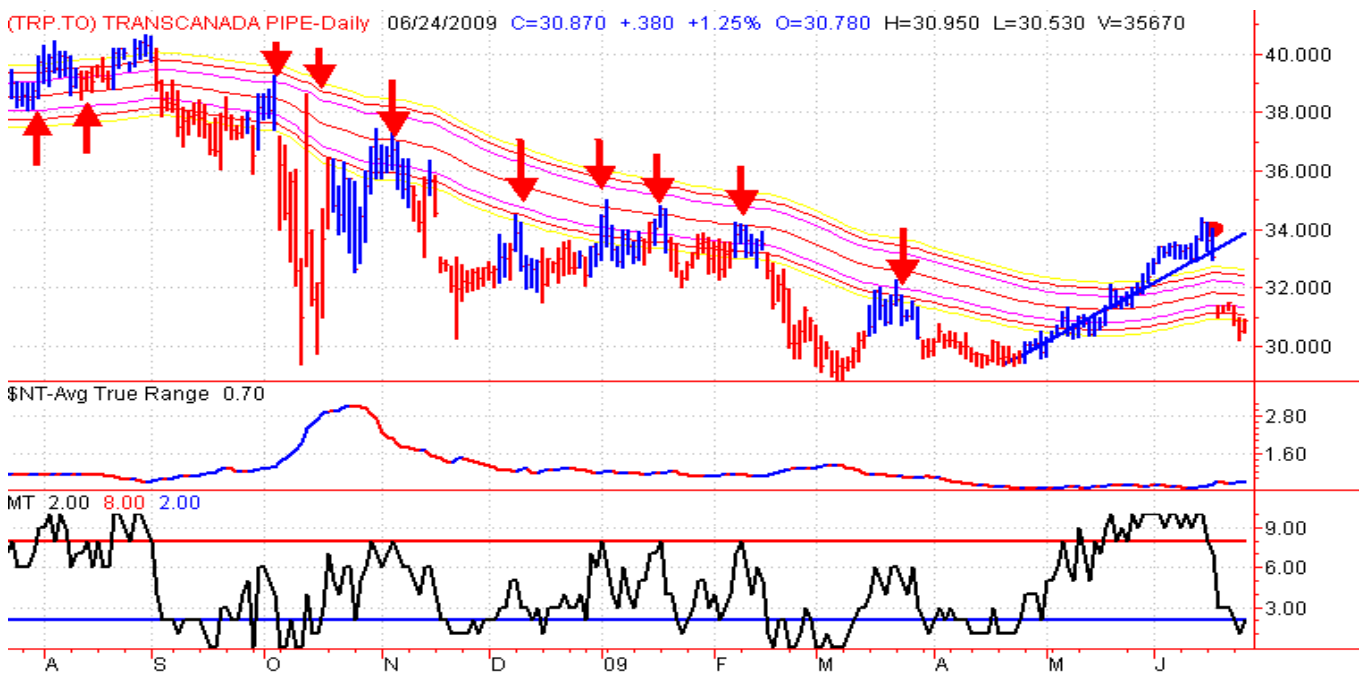
This sharp down-move has set off the “Is It Safe” chart, which warns investors that it is not yet “safe” to buy this stock. (A stock is not “safe” when it is in the red shading area.)



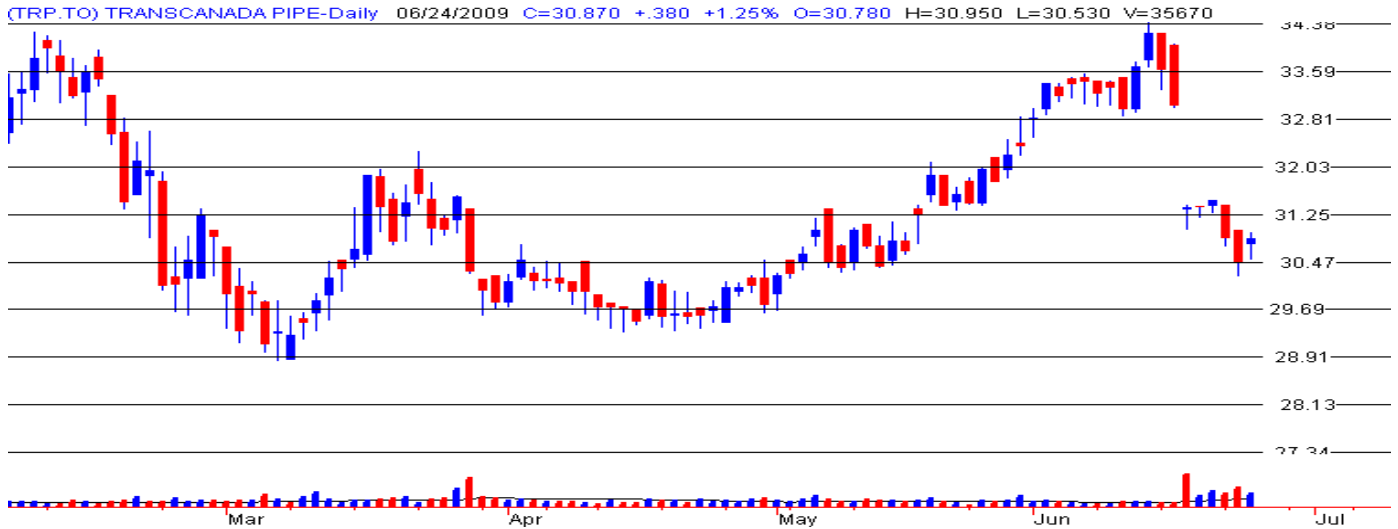
When a stock is moving lower, the Fly Paper Channel usually acts as “support” in a falling market. In TransCanada’s situation, this did not happen, which indicates a bearish outlook for the stock going forward. With the stock now trading below the Fly Paper Channel (as shown), the Fly Paper now acts as “resistance”.



Historically, this type of price action is unusual for TransCanada which, as shown below, has had a respectful relationship with the Fly Paper Channel.

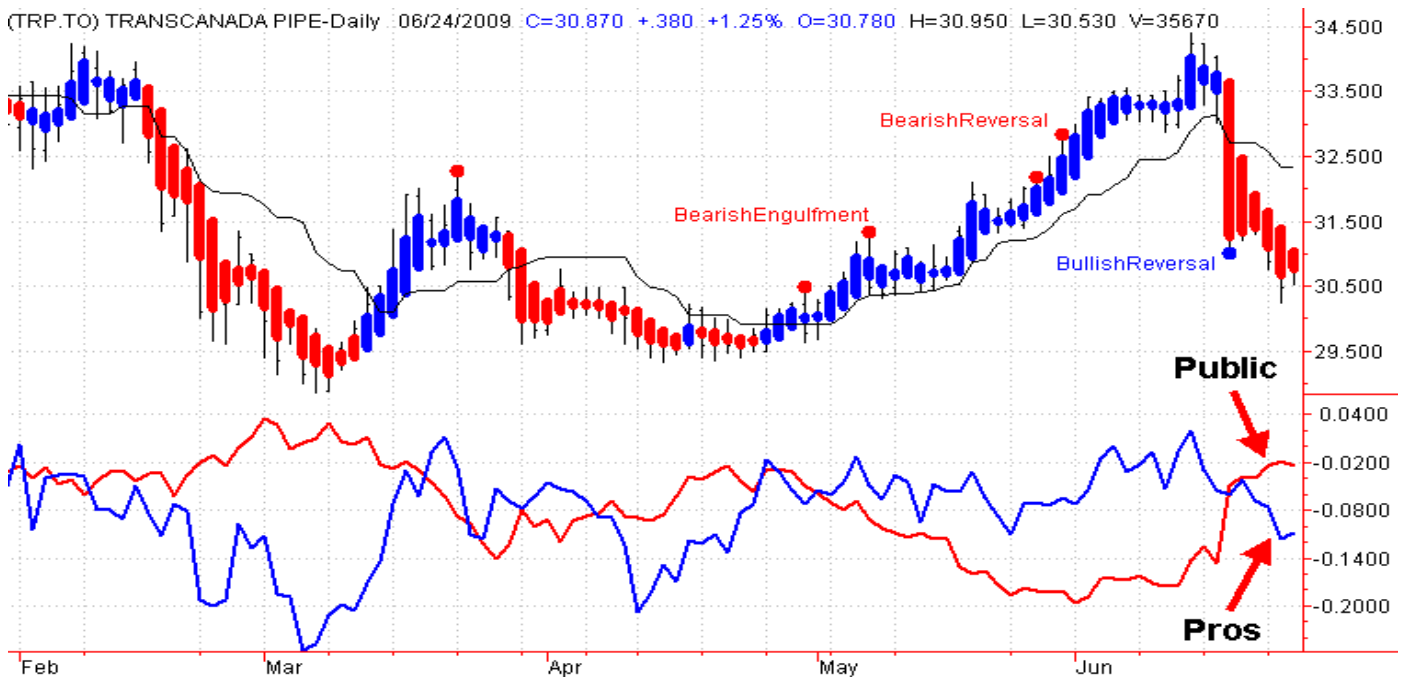


While the Panic Zone chart (page 2) is projecting down to the \$29.50 area, the mathematical projections of these technical charts are seeking support at \$29.69 (see below) and, then, if that support does not hold, \$28.91.

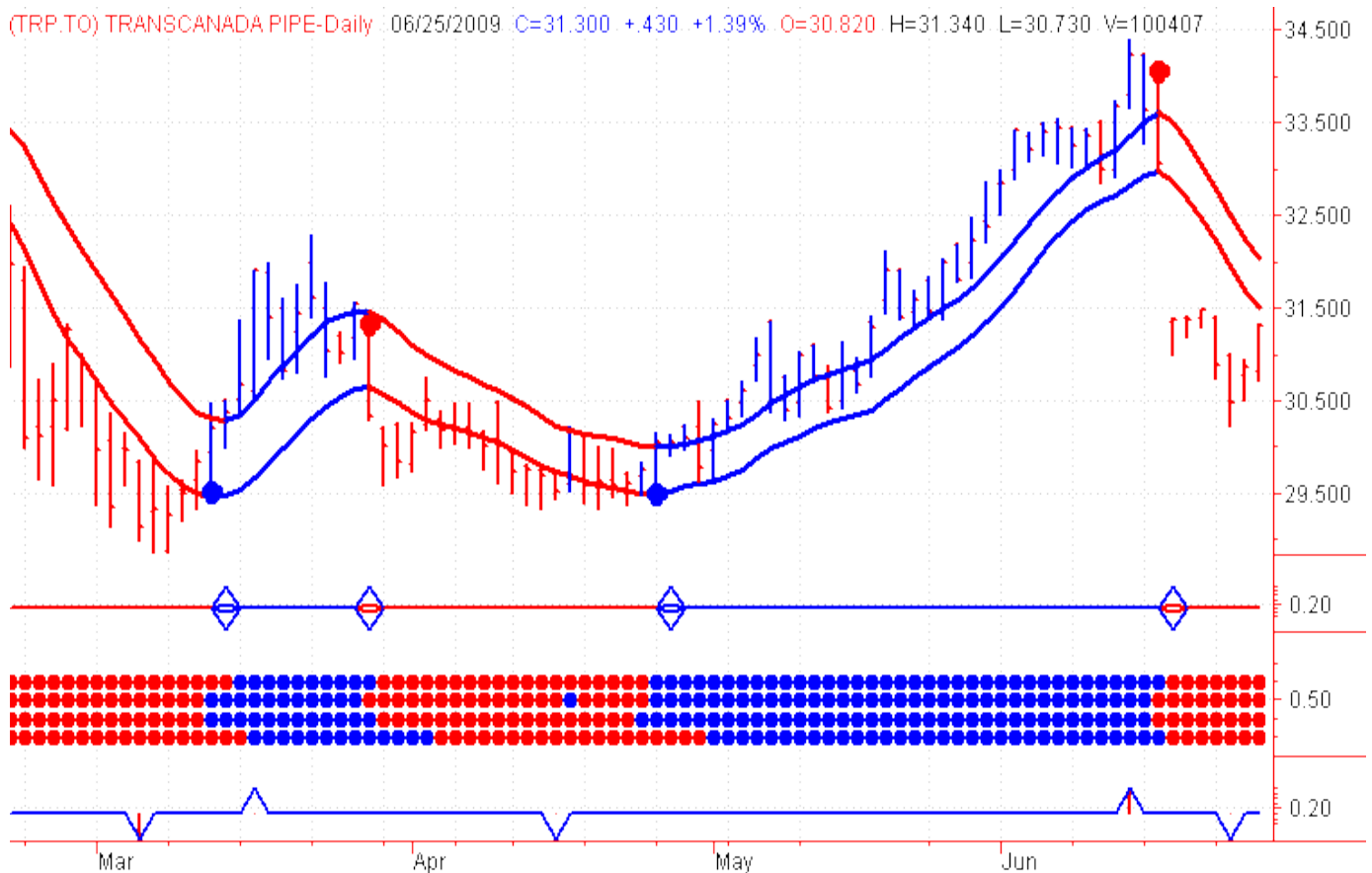


In our opinion, we are expecting lower prices down into the \$29.69 - \$28.91 area. At these levels, the stock represents a low risk entry point.

Should this happen, it will be interesting to see if the Pros (i.e., the institutions) come back to “take control” of the price of this stock. Without the Pros taking control, it is unlikely that the stock will go up for long.



For aggressive investors who do not want to wait for the next lower risk entry point, the next daily buy signal would be generated on a daily close above \$31.75. This breakout point will continue to drop daily.



CONCLUSION

With the gap down that occurred a few days ago, a highly unusual occurrence for TransCanada, the stock could test “support” levels at \$29.69 or lower at \$28.91. We recommend purchase of the stock within this range.

For more aggressive investors, as shown on the chart immediately above, the stock’s next Buy signal is in the \$31.75 - \$31.80 range.

Once the stock emerges on the upside from the Fly Paper Channel, its potential target is in the \$40.00 range.



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