

QUICK TAKES PRO

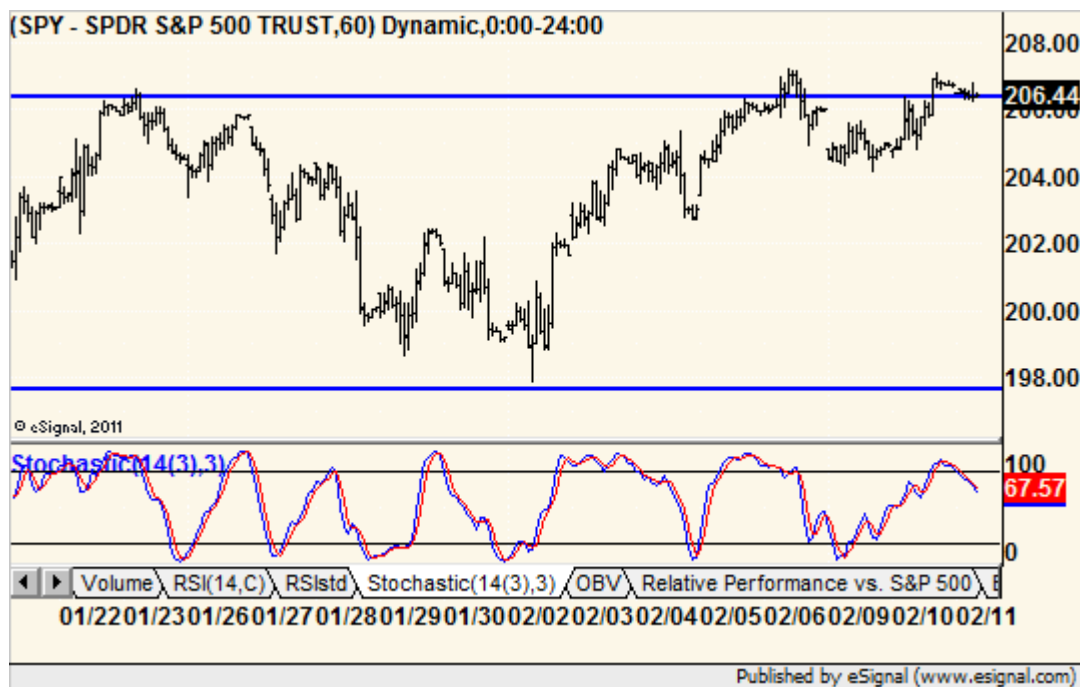
"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

February 11, 2015 – It's Greece on, Greece off. Yesterday all looked nice and stocks rallied. We'd say that Coke's earnings had a little to do with it, as did a little dip in oil prices. Yes, the worry that oil would keep rising did come into play.

We now can go with the breakout in the S&P 500. It's not an all-in thing but the list of potential stock buys has swelled quite a bit while short setups are rare. Keep in mind that we offer more potential trades that you probably should take. Be sure to pick the ones that make you the most comfortable.

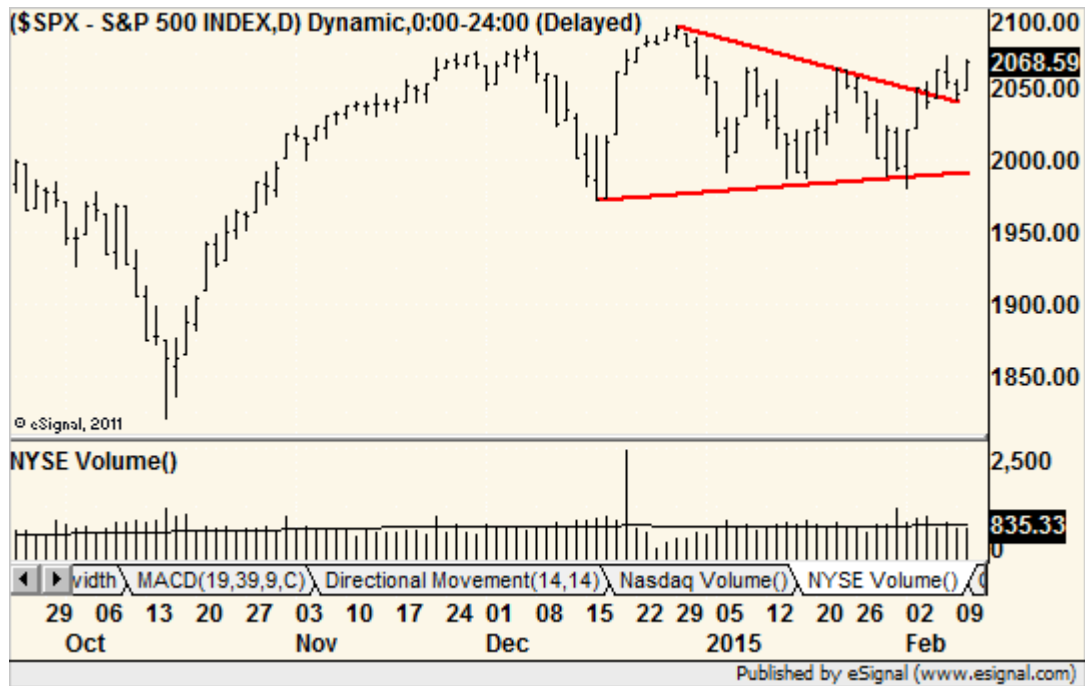
Otherwise, the market is rocking daily on news although that seems to be diminishing a bit. Even a headline this morning says stocks may take a Greek exit from the Euro "in stride." Probably.



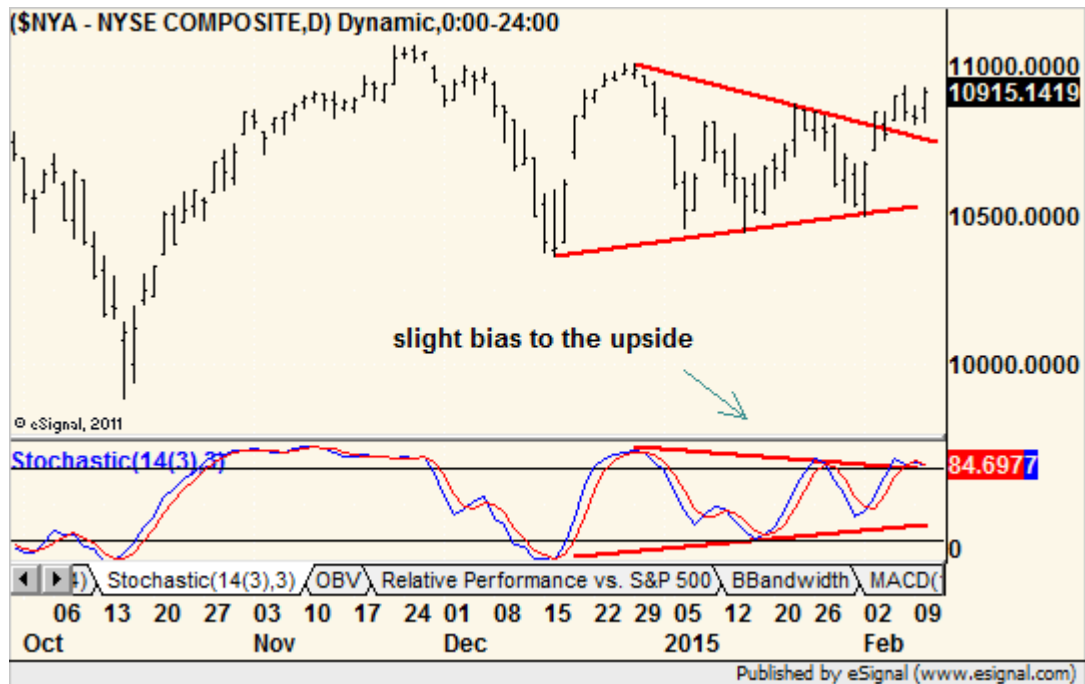
While daily charts show breakouts from triangle patterns, the hourly chart still needs to get above resistance. That it barely pulled back after last week's attempt is a good sign.

We're tentatively bullish now as trading ranges seem to be resolving to the upside. Keep in mind that February is still historically a weak month so a shake-out is possible. Therefore, be sure setups you take have some wiggle room and start with clear bullish technicals.

Index Charts of the Day



It sure looks like a breakout now. We'd like a little more volume but breadth is still good.



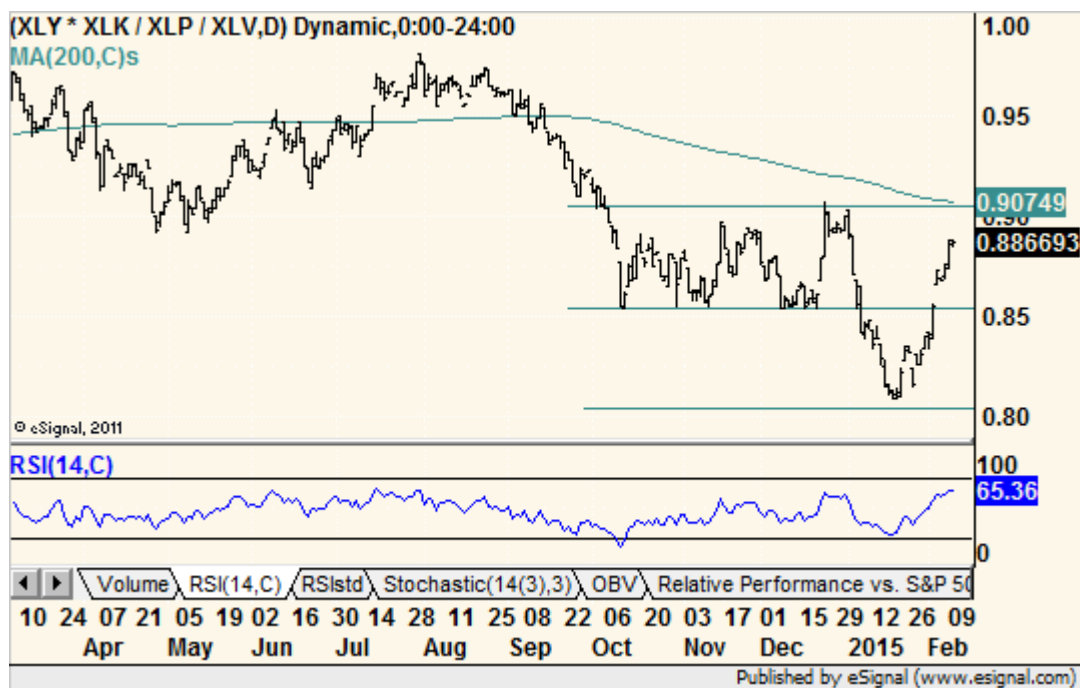
We admit this analysis on the NYSE composite is pushing it but stochastics shows rising bottoms while recent action took the indicator to equal, if not higher, highs. That leans bullish.

The Radar Screen

This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances in the Radar Screen or the last major update. We do not take "buy/sell on close" triggers or "at the open" triggers if the stock moves more than 4-5%. See <http://quicktakespro.com/radar.html> for all Radar Screen rules and terms.

Bullish Implications		
Gold ETF GLD – Breakout now tested. Buy resumption of the trend at 120.00		2/3
Barrick Gold ABX – This was a free chart of the day Tuesday but we'll make it official now. Buy breakout with a move over 13.25		2/5
Pacific Sunwear PSUN – Who does not like a comeback story? This stock is in a nice pennant formation with rising on-balance volume. If retail breaks out this one should offer a nice return. Buy 2.95.	Triggered	2/6
Wal-Mart WMT – We saw a trend break reversed to the upside Monday and now threatens an upside break. On-balance volume not only stayed flat but is close to a new high already. Buy the breakout with a close over 87.50.		2/6
Exxon Mobil XOM – Big oil is on the cusp of a breakout. This one has a nice pause at its July trendline so buy with a close over 92.50. 3% div yield		2/10
Vietnam ETF VNM – Just for a little diversity. A bullish RSI divergence after a long decline and now a pause at the trendline and 50-day average. Buy close over 19.20		2/10
Marriott MAR – Clearly last week's dip was a false breakdown. I wrote this up bullish for another website yesterday after the rally It is <u>risky</u> now that it is up even more in the premarket but we like it (and we are covering <u>HLT</u> short).	Moved	2/2
Energy ETF XLE – Check out the new high in on-balance volume as money pours back into the sector. Now above 50-day average but a new high for the month above 80.85 would be a double bottom breakout.	New	2/11
Google GOOGL – The breakdown was rejected with a huge volume gap up rally. Already above 50-day average. Now looking at resistance at 543.75. Buy close above.	New	2/11
Bearish Implications		
Healthcare ETF XLV – Now holding in a range but falling on-balance volume. Looking at possible sell under 68.50 although with the market staying strong it might now get close.	Moved	1/15
Holding Tank - red shade leans bearish, green shade leans bullish		
Coach COH – This luxury retailer is getting a lot of chatter and it does have a base in progress, albeit with a sloppy "handle" over the past month. Note the relative performance chart is close to a breakout, too. Hard to quantify it but we'll watch for signs to buy.		2/4
Utilities ETF XLU – The breakdown is clear. The 200-day average should meet support at the red line in a week or two at 45 and that would be a good place to think about buying some bargains.		2/10
Pepsi PEP – This one is a bit wide of a range for us but on-balance volume hit a new high and peer KO had good earnings. Smashed through resistance in the premarket so now we have to wait for a test of the breakout. Today's Lesson	New	2/11
Sector Watch (observations that may spark ideas)		
Retail XRT – On the verge of a breakout.		2/6
Technology XLK – bull flag breakout		
Homebuilding ITB – back in bull mode		
Financials XLF – Broke through resistance. Now in rally mode but still under 50-day		
Updates		
none –		

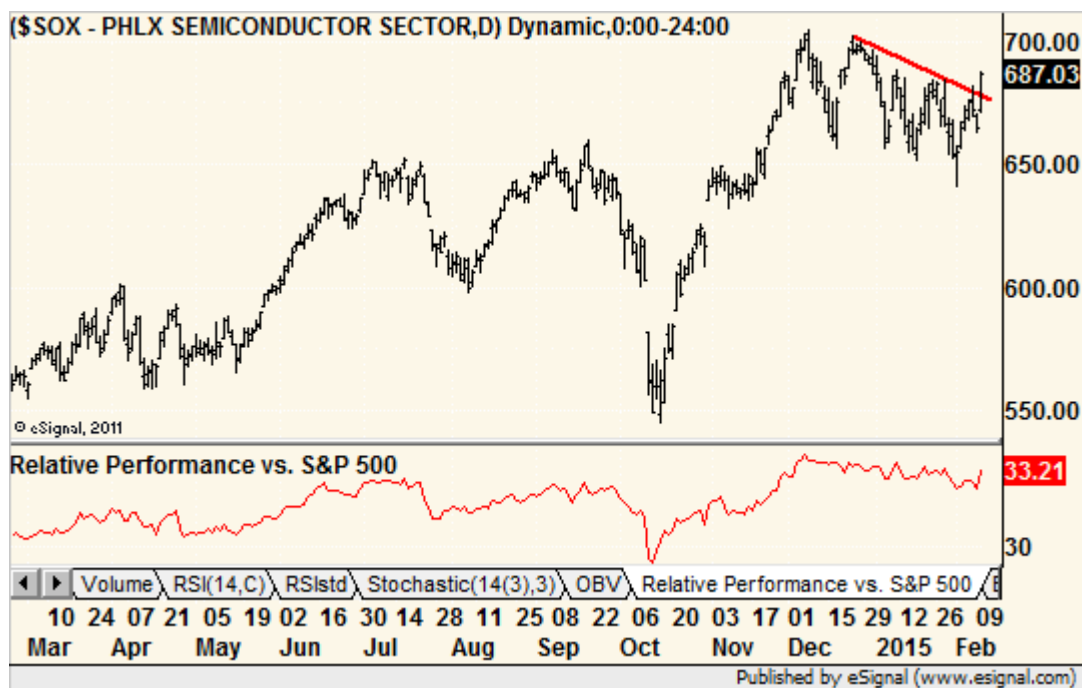
Market Highlights



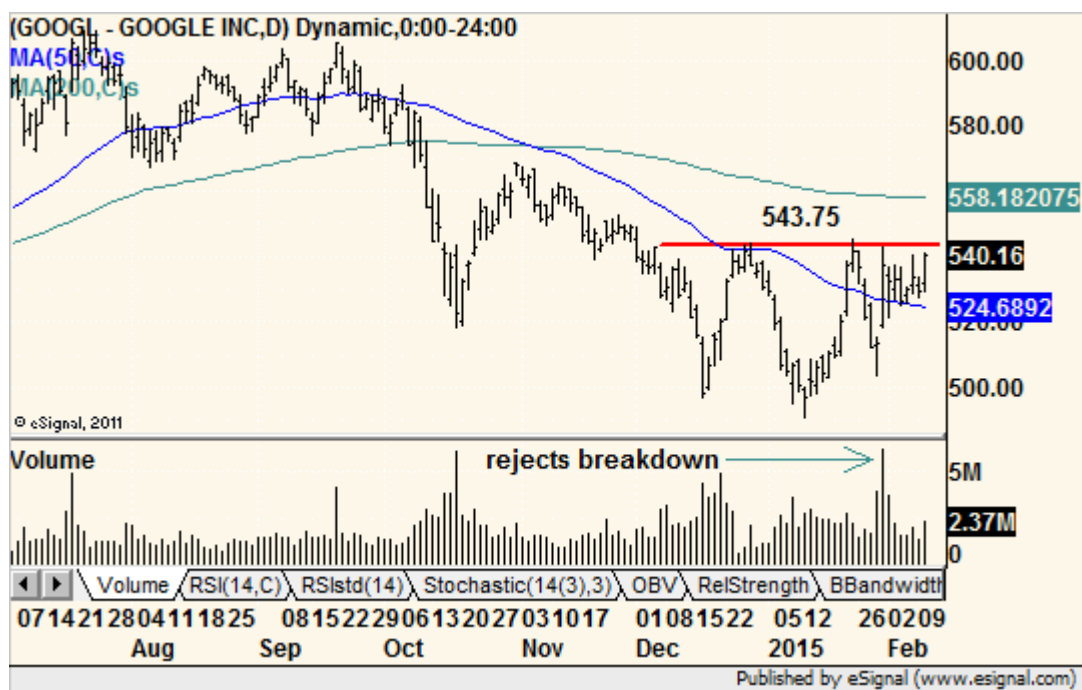
Offense/Defense Index – The breakdown in December met its objective (close enough) and now is soaring higher. Resistance coming up soon with 200-day moving average, too. Basically, the tone of the market changed for the better.



Energy ETF – Check out the new high in on-balance volume as money pours back into the sector. Now above 50-day average but a new high for the month above 80.85 would be a double bottom breakout.



Semiconductors – Despite **INTC**, this sector just broke out.



Google – The breakdown was rejected with a huge volume, gap up rally. Already above 50-day average. Now looking at resistance at 543.75. Buy close above.

Today's Lesson

In this section, we take a look at a topic in technical analysis in real-time, not textbook time.

Setups and Being Late



Pepsi – This one is a bit wide of a range for us but on-balance volume hit a new high and peer **KO** had good earnings. What we wanted to see was a pause close to resistance and then look to buy the breakout. However, it soared in the premarket after earnings and traded at 100.

Now we have to wait for a pullback to test the breakout.

Advice Tracker

This is a list of stocks that have triggered buys or sells and not a recommended portfolio. We will track them with suggested strategies but specific stops and position closes are up to the subscriber. Symbols in **red** mean that the position was stopped out. Stops in **red** were changed. Any position that moves in the desired direction and then reverses by 5% from the extreme that day is an automatic stop out. This is to compensate for the inability of this once per day newsletter to alert subscribers to the reversal.

	<u>Symbol</u>	<u>Name</u>	<u>Last</u>	<u>P/L</u>	<u>Stop</u>	<u>Price in</u>	<u>Date in</u>	<u>#Days</u>
<u>Long</u>	NOC	NORTHROP GRUMMAN CORP	164.89	13.7%	156.00	145.05	1/7	34
	LO	LORILLARD INC	67.07	4.0%	64.00	64.46	1/13	28
	CAT	CATERPILLAR INC DEL	83.90	5.2%	80.00	79.74	1/27	14
	TOT	TOTAL S A	53.95	1.3%	52.50	53.25	2/2	8
	EWI	ISHARES MSCI ITALY CAPPED ETF	13.97	-1.3%	13.50	14.16	2/2	8
	HRB	BLOCK H & R INC	35.03	0.3%	34.00	34.91	2/5	5
	HAL	HALLIBURTON CO	42.60	-0.9%	41.25	42.97	2/5	5
	PSUN	PACIFIC SUNWEAR CALIF INC	2.89	-2.0%	2.70	2.95	2/10	0
<u>Short</u>	CSCO	CISCO SYS INC	27.49	-2.2%	27.75	26.88	1/30	11
	HLT	HILTON WORLDWIDE HLDGS INC	27.46	-2.6%	cover	26.75	1/30	11
	DAL	DELTA AIR LINES INC DEL	45.32	-1.8%	48.00	44.50	2/9	1

Notes: Covering short in **HLT** and buying long in peer **MAR**. Consider that a hotel sector SAR (stop-and-reverse as in Parabolic SAR).

Also bought **PSUN** after it hit its trigger. Unfortunately it pulled back into the close.

Subscriber Corner

This section is dedicated to subscriber requests for stock, futures, index and foreign exchange analysis. Send requests to <mailto:mkahn@quicktakespro.com>.

Other Information

About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently on financial television including PBS' Nightly Business Report.



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