

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

February 18, 2015 – More Greece. Supposedly this matters to our market but it really is not having much of an effect. Greece's troubles have been known for weeks yet the S&P 500 climbed sharply to record highs. Get the picture?

We have only one stock idea today and we did not even put a buy trigger on it. Why? The market seems tired in the short-term term. The hourly chart shows the what and the Index Charts of the Day below should provide the "why."

In sectors, we observe that hotels are quite strong. And my Barron's Online column yesterday was on basic materials, which are getting stronger. Think about that – consumer discretionary and basic materials. Together that is a rising tide in the economy.

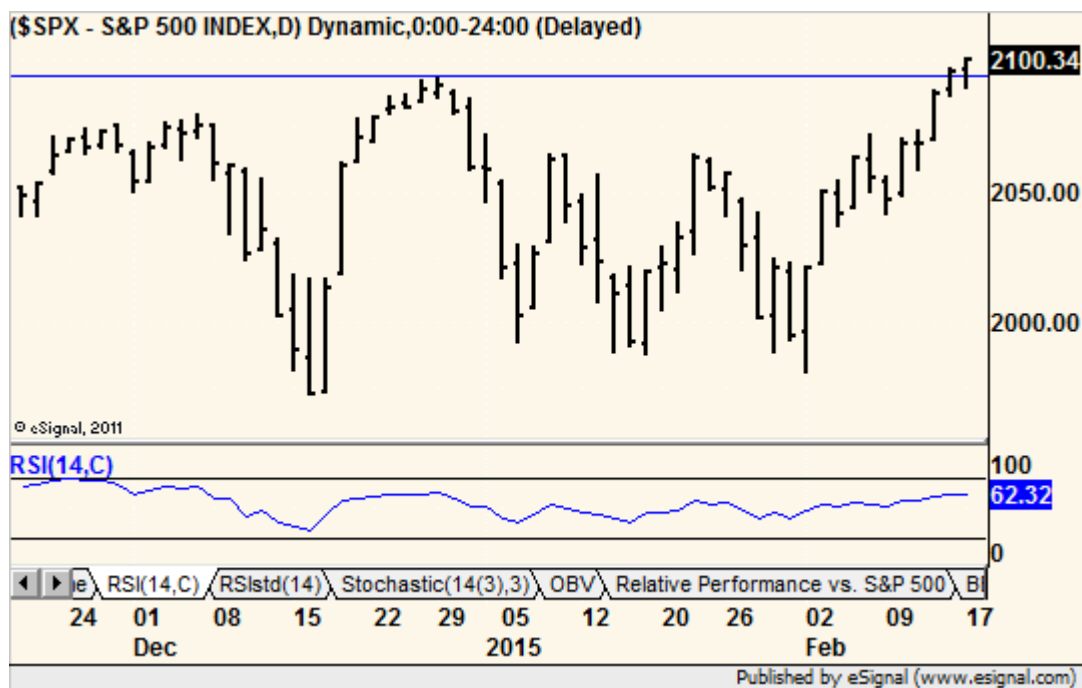
But that is the economy, not the market. The market has a little more risk today simply due to waning momentum. From where we sit, there is nothing really wrong.



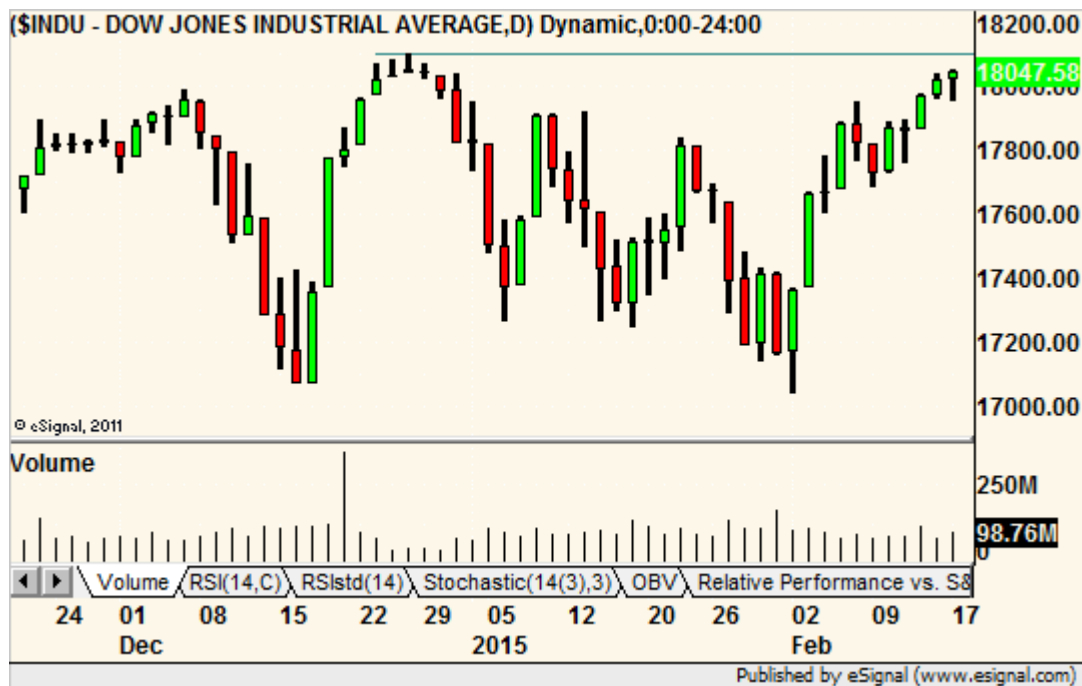
The hourly chart shows the market drifting sideways through the trendline. That is not a sell signal as we need vertical movement, not horizontal, to signal a break. But momentum is waning as seen in RSI so we are coasting today.

That's all folks. No filler needed.

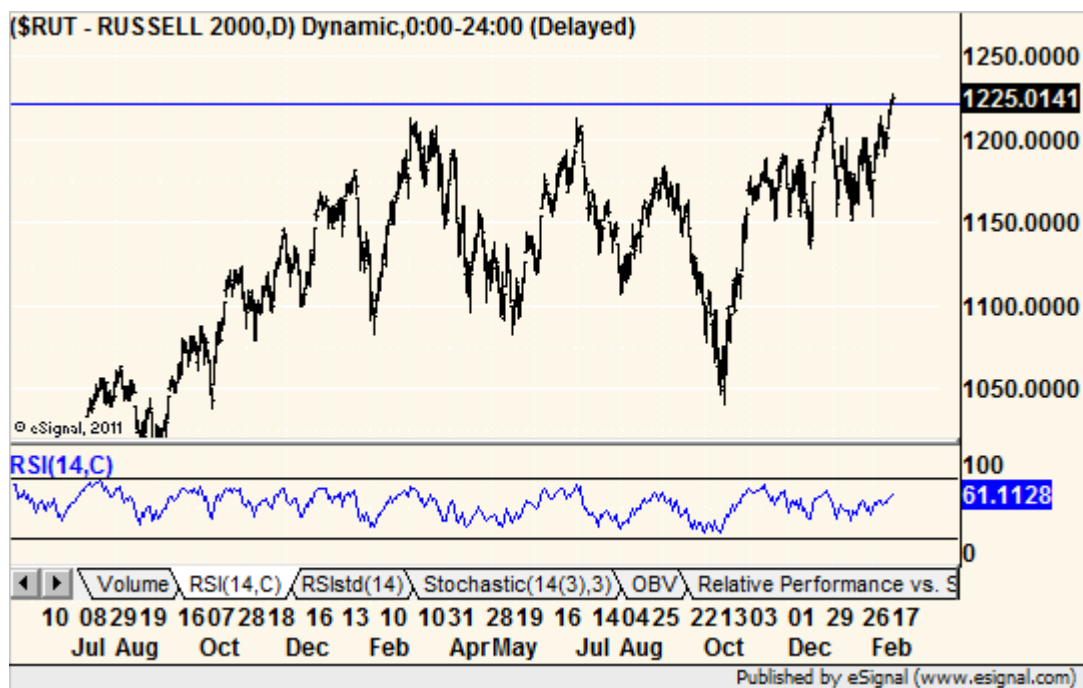
Index Charts of the Day



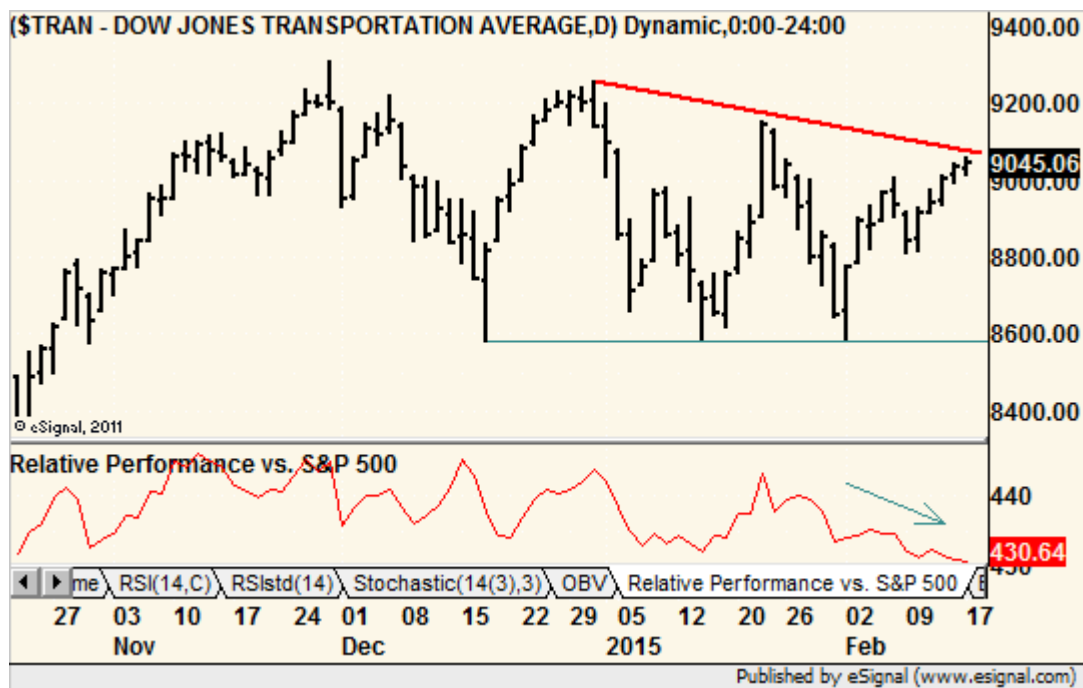
Day two at new highs so all is well? RSI seems on the low side for a rally of this slope. See next chart...



The Dow is still below resistance and yesterday left a small hanging man candle. It is still unconfirmed but the market seems a little winded right now.



Same for the Russell. A new high but RSI is just barely in the strong zone.



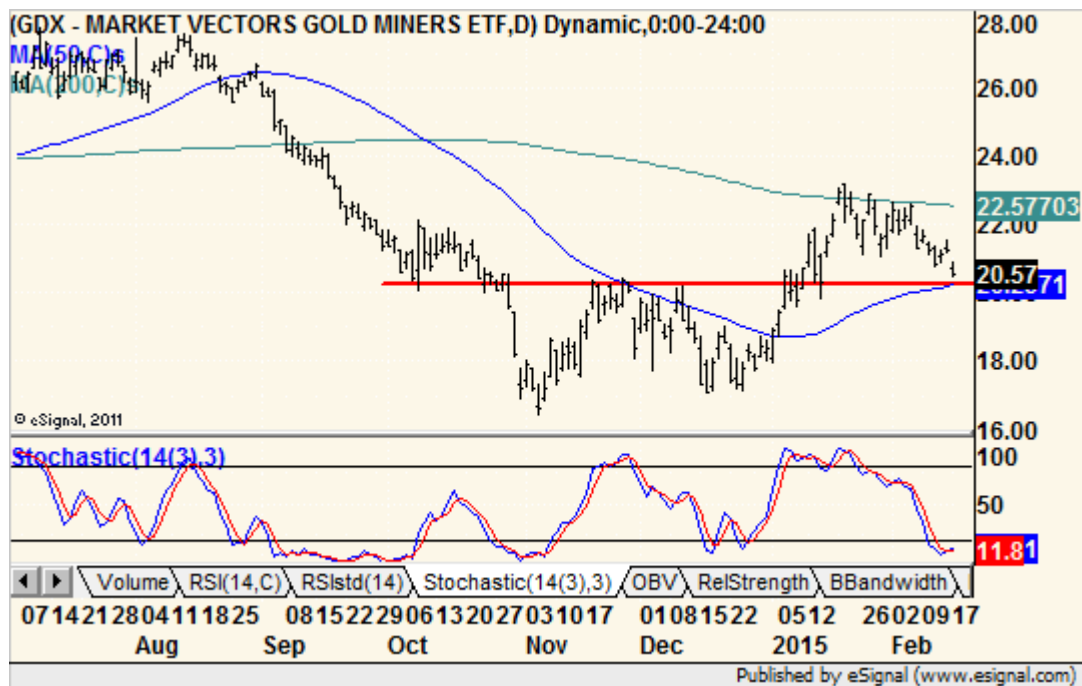
Transports lagging badly. No breakout. And certainly no new high.

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 – Getting way too far from triggers but check out chart of GDX	Removed	2/3
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 87.00.		2/6
Travelers TRV – An insurance stock with a nice bullish setup following a false breakdown. We do wish volume was better. Buy close over 108.30. <u>Big volume bear reversal – careful.</u>		2/15
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. Buying now.	Triggered	2/10
Southern Company SO – This is a utility that has come down to a good buy point at the 200-day average and 61.8% Fibonacci retracement. Overshoots in steep drops are to be expected. Also, note that not much money flowed out during the decline according to on-balance volume. Buying now.	Triggered	2/17
Healthcare ETF XLV – Now holding in a range. On-balance volume starting to curl higher. Price now challenging resistance so we switch to buy alert with a close over 71.35.	Moved	1/15
Bearish Implications		
none –		
Unknown Implications		
none -		
Holding Tank - red shade leans bearish, green shade leans bullish		
Coach COH – Not much happening so we'll move on.	Removed	2/4
Mylan Labs MYL – A drug stock looking to break out. Big up on Friday so we'd like a little rest here. Note stochastics bottoms never made the oversold region during the Nov-Feb decline and that leans bullish. <u>Low volume breakout.</u>		2/17
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. <u>Too far from trigger now but setup is still clear.</u>	Moved	2/5
Sector Watch (observations that may spark ideas)		
Retail XRT – On the verge of a breakout. Breakout		2/6
Technology XLK – bull flag breakout		2/12
Homebuilding ITB – back in bull mode		2/12
Financials XLF – Broke through resistance. But waning relative to market		2/12
Updates		
Cablevision CVC – Broke out Thursday and gapped up Friday. We did not buy and would not buy today. Monster gap down Tuesday.		

Market Highlights



Gold Miners ETF – If you have nerves of steel this is a good place to buy. We are not going to do it but look at all that support.



REIT ETF – Nice correction to the trendline and 50-day average. Note RSI bottomed above the oversold region – a positive signal. Wait for 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	167.60	15.5%	163.00	145.05	1/7	41
	LO	LORILLARD INC	67.96	5.4%	66.00	64.46	1/13	35
	CAT	CATERPILLAR INC DEL	85.38	7.1%	82.00	79.74	1/27	21
	TOT	TOTAL S A	54.40	2.2%	52.50	53.25	2/2	15
	EWI	ISHARES MSCI ITALY CAPPED ETF	14.58	3.0%	14.00	14.16	2/2	15
	HRB	BLOCK H & R INC	35.15	0.7%	34.50	34.91	2/5	12
	HAL	HALLIBURTON CO	44.87	4.4%	42.50	42.97	2/5	12
	PSUN	PACIFIC SUNWEAR CALIF INC	2.93	-0.7%	2.80	2.95	2/10	7
	VNM	MARKET VECTORS VIETNAM ETF	19.77	2.9%	19.00	19.21	2/11	6
	MAR	MARRIOTT INTL INC NEW	81.29	5.4%	78.00	77.13	2/11	6
	GOOGL	GOOGLE INC	545.01	-0.2%	530.00	546.01	2/12	5
	XOM	EXXON MOBIL CORP	93.05	0.4%	90.00	92.70	2/13	4
	XLE	ENERGY SELECT SECTOR SPDR	82.29	1.4%	78.50	81.13	2/13	4
	COP	CONOCOPHILLIPS	69.47	0.9%	67.00	68.83	2/13	4
	XLU	UTILITIES SELECT SECTOR SPDR	45.13	0.2%	44.00	45.03	2/17	0
	SO	SOUTHERN CO	45.54	-0.3%	44.00	45.69	2/17	0
<u>Short</u>	DAL	DELTA AIR LINES INC DEL	44.76	-0.6%	47.00	44.50	2/9	8

Notes: We cannot stress enough that **this is not a recommended portfolio**. It is only a list of the opportunities we recommended. Take only those you like.

Two new longs at the open yesterday (utilities) – **XLU, SO**.

A few stops raised.

Charts for **HRB** (again) and **GOOGL** not responding as we'd like.

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

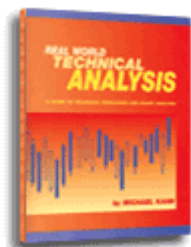
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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