

QUICK TAKES PRO

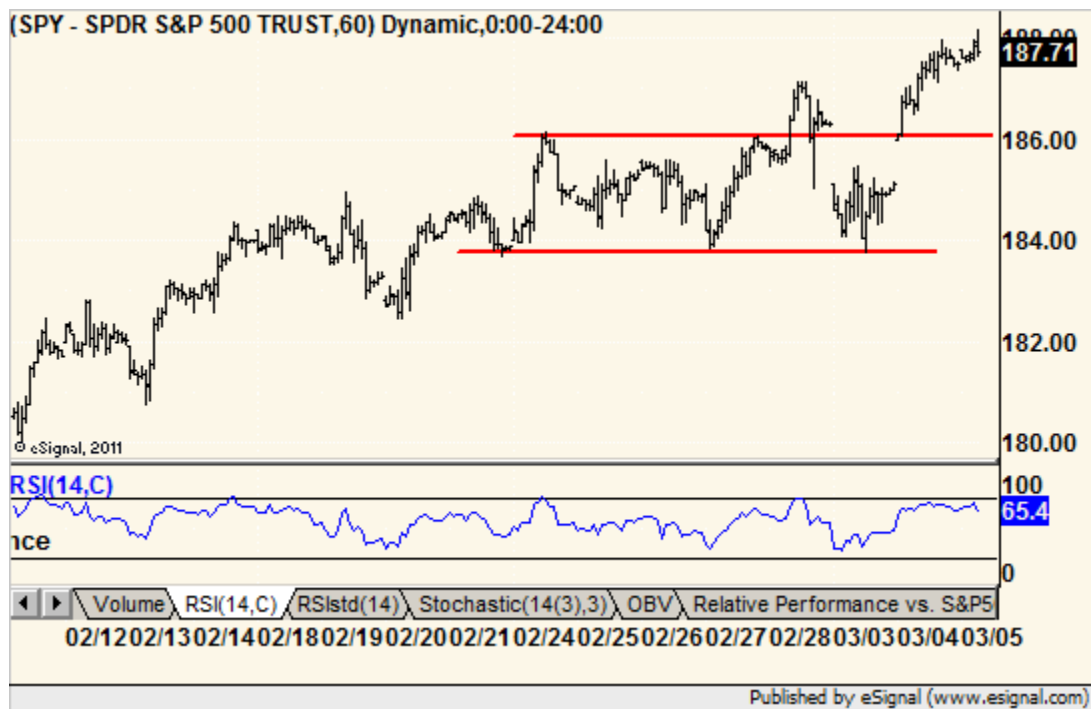
"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

March 5, 2014 – We heard some whining about low volume meaning Monday's decline was not so important. First of all, leave the whining to us. Second, even we, as hard core old school technicians, do not buy that argument anymore. Besides, any way you look at, Tuesday's rally came on high volume all around. From NYSE and Nasdaq to **SPY** and **OMG IWM** (that's oh my god, the smallcap ETF) volume was everywhere. This move was real.

Of course, if Vlad decides to swing his manhood back towards Ukraine then things will once again sell off but for now the bull market lives on.

If you did not see it, I posted another video on our [YouTube channel](#) so check it out. It covers some of the stocks we wrote up in yesterday's report showing positive action on Monday's down day. Those are likely leader going forward.



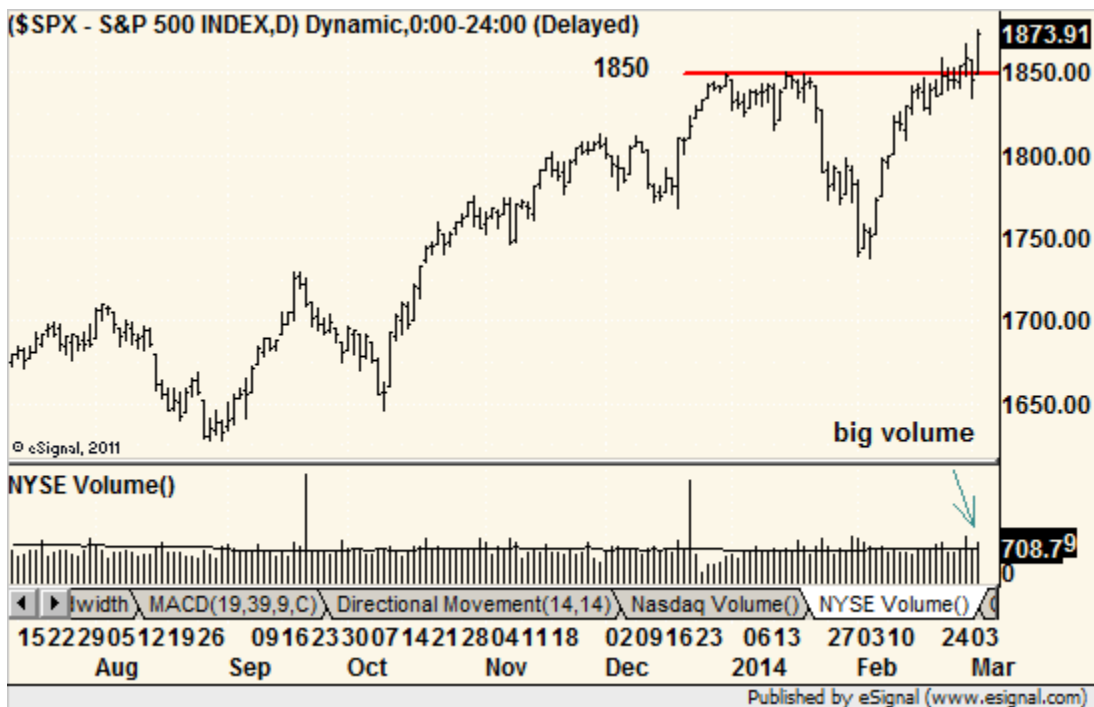
The hourly **SPY** shows the new high but it is a tad overbought right now. There was little reaction to the ADP report this morning so we think it will be a rather sedate day after two rock'em sock'em days.

Gold and oil also seem stable for today. The dollar is stronger and we've got a euro chart below showing a bearish reversal at resistance.

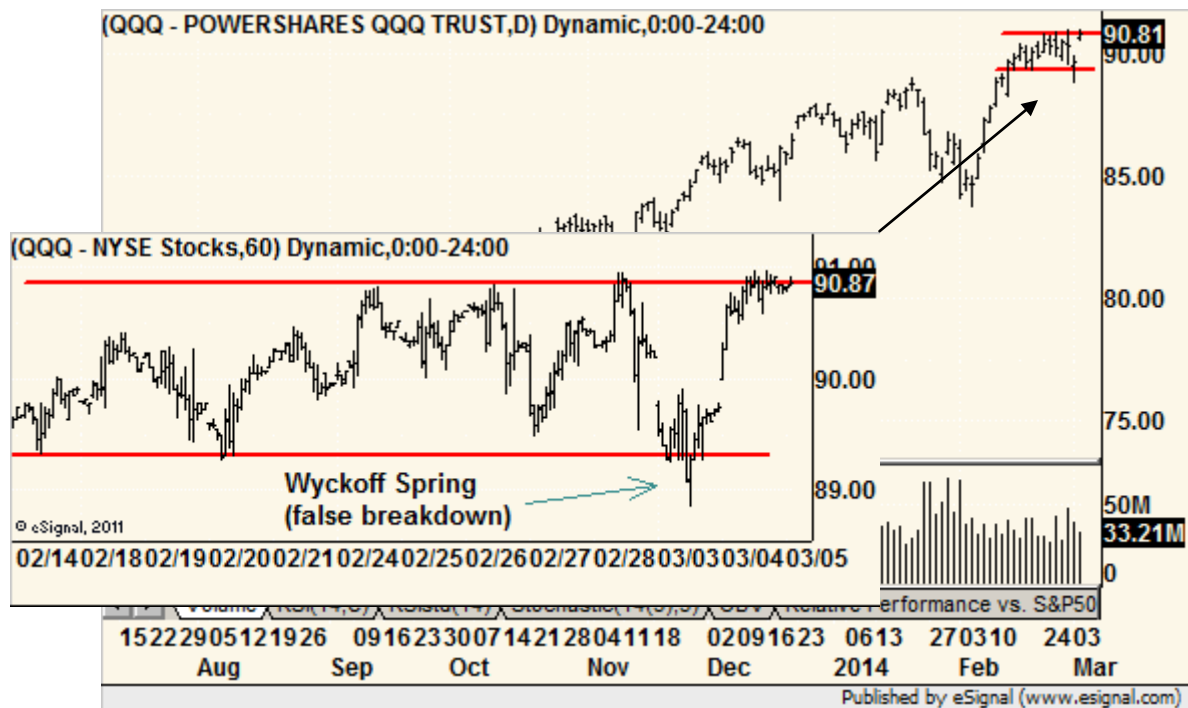
The bottom line for stocks is that the trend is up. We do not see it as a brand new leg higher but for now we stay long. Just be aware of short setups that may pop up and keep them on reserve because this is still a rather old bull market. Gold and the dollar are also not acting as if things are super alright, either.

As they say, dance until the music stops.

Index Charts of the Day



Volume may be a disgraced indicator but it is not useless. That is a nice healthy total Tuesday on the rally. And from the price side, a new high after an attempted bear raid is bullish.



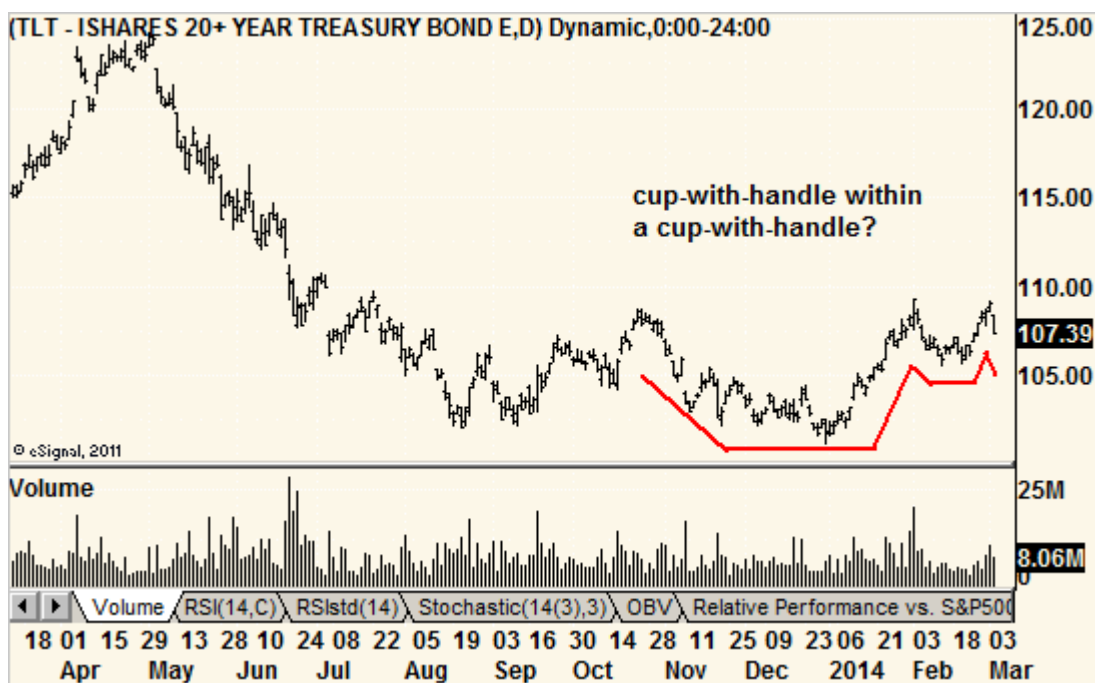
We are presenting the Nasdaq 100 ETF as one of the few major indices that did not score higher volume. But it still has a nice rally and the inset is an hourly chart with a Wyckoff Spring pattern (bullish).

The Radar Screen

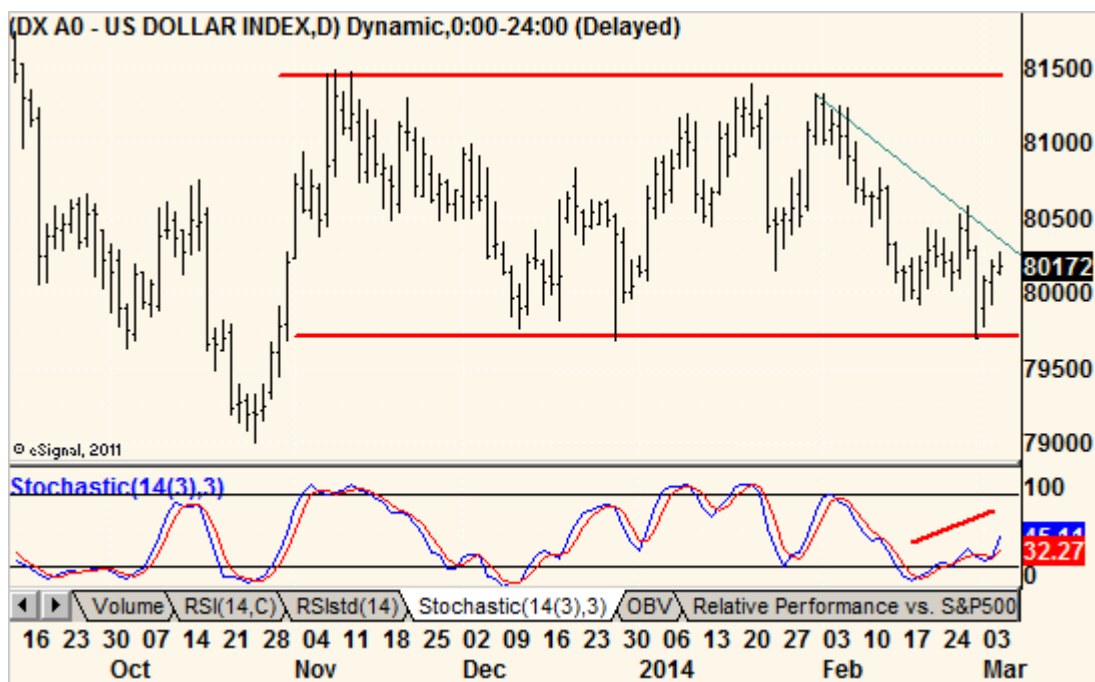
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
DSW DSW - A shoe retailer with a possible double bottom. Resistance at the 50-day average but nice RSI divergence in place. Buy close over 39.60.		2/27
Glaxo SmithKline GSK - This drug stock is in a very strong sector and is about to break out from a triangle pattern. Note change in relative performance already. Buying now.	Triggered	3/4
Bearish Implications		
FedEx FDX - We have not had much luck finding nice short setups and that makes us nervous. Here is one possibility with a bear flag-looking bounce reversing at the 50-day average. Sell 131. <u>Not happening so we'll move on with no harm done.</u>	Removed	2/27
Juniper Networks JNPR - Just as we looked for stocks that resisted Monday's sell-off, now we look for stocks that did not participate in Tuesday's rally. Juniper is now at support in a double top pattern with RSI divergence. Sell a close under 26.20.	New	3/5
Unknown Implications		
Rambus RMBS - This chip stock is in a nice pennant formation that has been in place long enough to flatten out its major moving averages. Buy 9.65, sell 8.65		2/21
Holding Tank - red shade leans bearish, green shade leans bullish		
Boeing BA - This looks to be the real breakdown, especially compared to its sector - defense (indices DFX, DFI).		2/24
GM - While Tesla soars, GM looks to be in a bearish wedge pattern at its 200-day moving average. We may sell the breakdown if the market sours.		2/25
AT&T T - Waiting for value to come to papa at 30.25.		2/25
Wal-Mart WMT - Everyone is down on this stock but at the same time retail is making a comeback. We're watching for a trendline breakout. Arguable now		3/3
Lennar LEN - This home builder is at strong resistance but has been there for several days already. Which way it goes may be the tell for the entire homie sector.	New	3/5
Incyte INCY - This is a member of the hot biotech index and we have it here just to watch at this time. A bearish RSI divergence is all we have on it so no selling yet! However, if it breaks then we will have to look at the entire sector to see if its time is over.	New	3/5
Sector Watch (observations that may spark ideas)		
Retail - Making a comeback. ANF, AEO, ARO, URBN		2/26
Defense - Very strong (except BA)		
Strong Monday performers - MU, NFX, MRVL, ISRG, AIV, HRB, AES, SHLD		3/4
Updates		
none -		

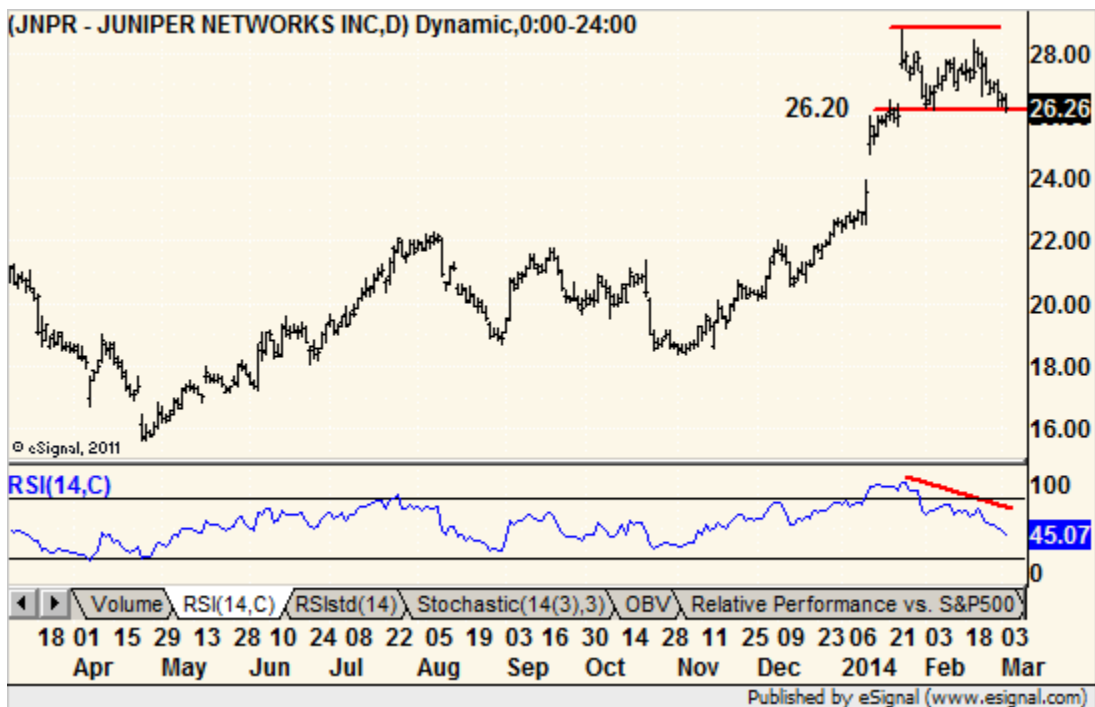
Market Highlights



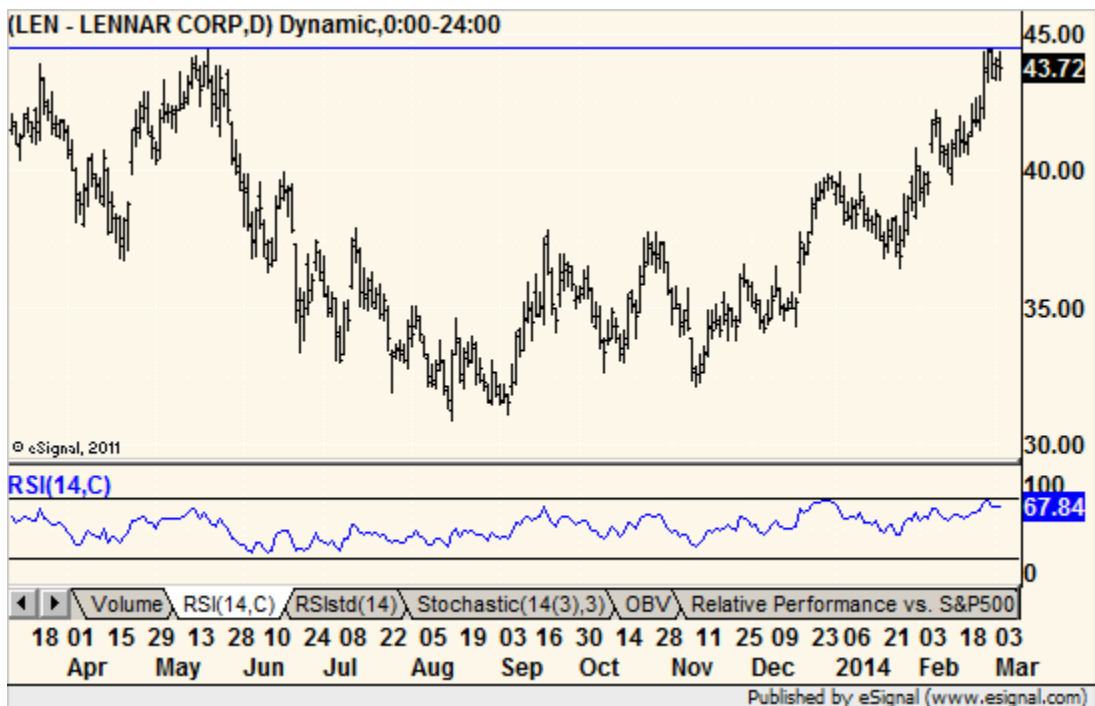
Long T-bond ETF - Bonds took a bigger hit Tuesday than they gained Friday to suggest risk really was "on" yesterday. However, we do not (yet) view this as a breakout failure. First, the Monday breakout was marginal and second the "failure" was still within the wiggle room allowed. And while the cup-with-handle patterns are not really valid, their shapes still suggest bullish leanings. Here, we see a small C/H acting as the handle for a larger C/H pattern. Two-pager, [click here](#).



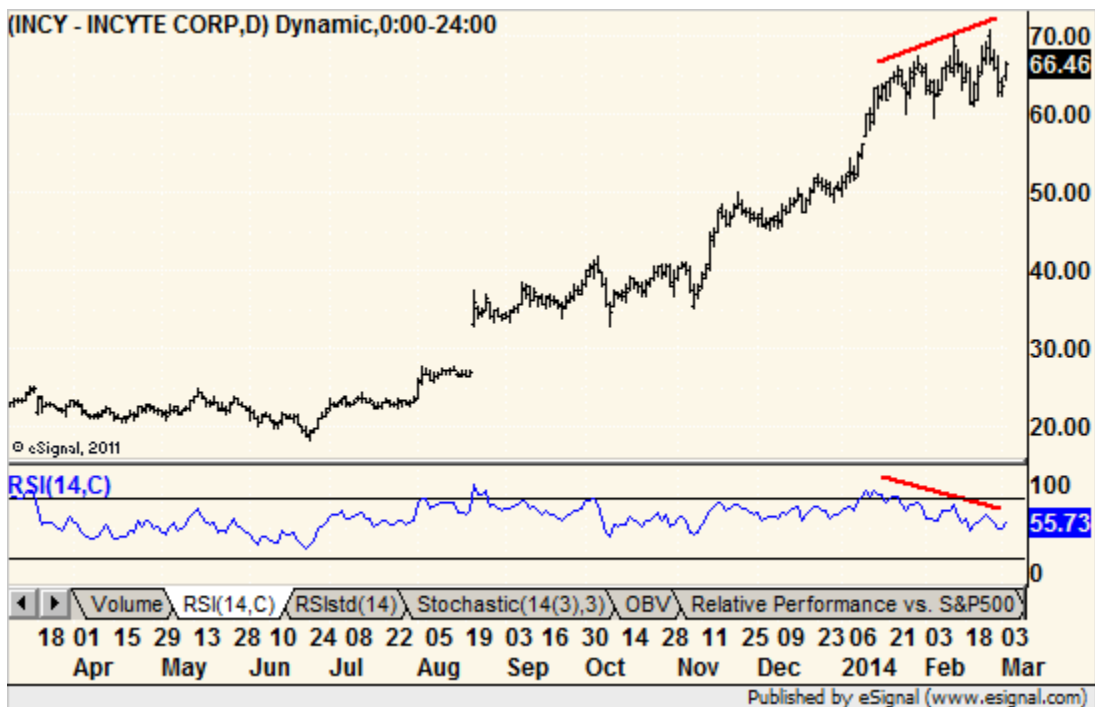
US dollar index - The dollar gained yesterday and that is not "risk on." Here, we see a bounce off support and a bullish stochastic divergence. Basically, it does not agree with the bond market.



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Euro ETF - Looks like a bearish reversal at resistance.

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>	NLY	ANNALY CAP MGMT INC	11.21	13.3%	10.70	9.89	12/6	88
	GDX	MARKET VECTORS GOLD MINERS ETF	26.10	17.8%	25.25	22.15	1/13	50
	JTP	NUVEEN QUALITY PFD INCOME FD	8.10	3.4%	7.80	7.83	1/23	40
	CORN	TEUCRIUM CORN FUND	33.64	6.6%	32.00	31.57	2/6	26
	FCX	FREEPORT-MCMORAN COPPER GOLD	33.53	6.9%	32.00	31.36	2/6	26
	LXP	LEXINGTON REALTY TRUST	11.67	7.3%	11.00	10.88	2/12	20
	SLV	ISHARES SILVER TRUST	20.37	3.2%	20.00	19.74	2/13	19
	NOV	NATIONAL OILWELL VARCO INC	77.84	1.7%	74.00	76.52	2/18	14
	FSLR	FIRST SOLAR INC	57.71	-1.4%	55.00	58.50	2/25	7
	LTM	LIFE TIME FITNESS INC	48.31	4.8%	46.00	46.09	2/25	7
	BBRY	BLACKBERRY LTD	10.34	-3.2%	9.75	10.68	2/26	6
	FDO	FAMILY DLR STORES INC	64.83	-3.5%	64.00	67.16	2/27	5
	DBC	POWERSHARES DB COMMODITY ETF	26.39	-0.5%	25.50	26.53	3/3	1
	GSK	GLAXOSMITHKLINE PLC	56.43	0.2%	53.00	56.30	3/4	0
<u>Short</u>	XLP	CONSUMER STAPLES SELECT SECTOR S	42.50	-3.2%		41.15	2/11	21

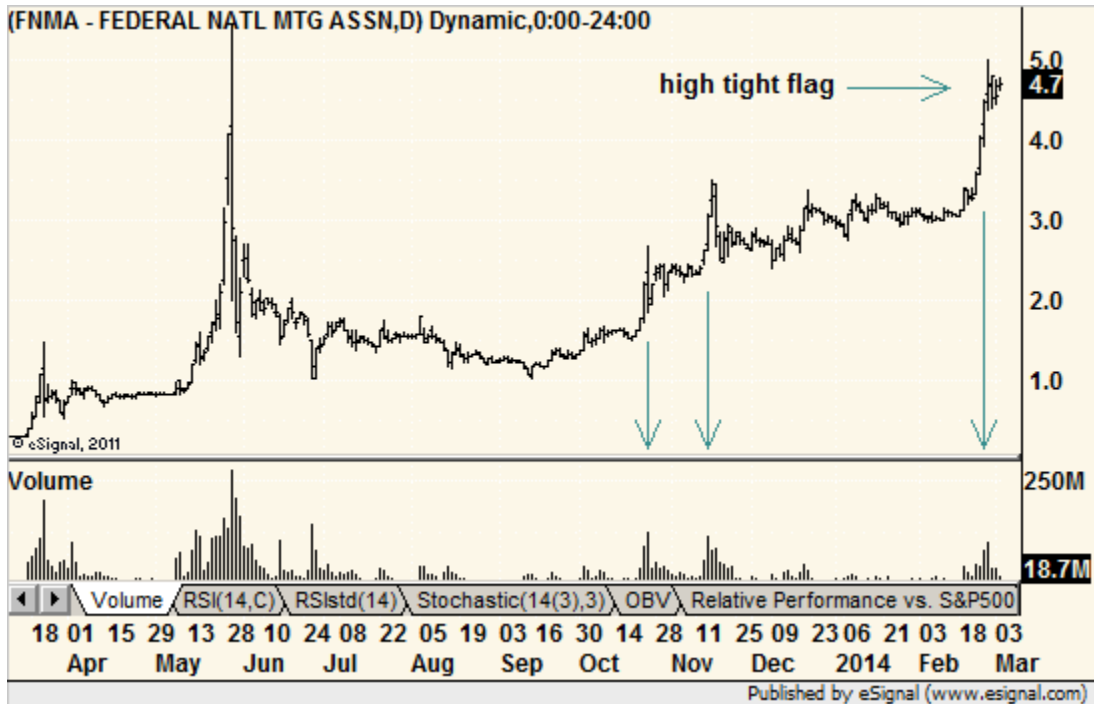
Notes: Finally stopped out of short in **XLP**. It is still lagging but everything is going up. We are a bit nervous about being 100% long.

Tweaked lots of stops on the long side. **LXP** is doing very well.

FSLR trade was stopped out but we are following the unofficial position that wasn't

Subscriber Corner

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



Fannie Mae - The subscriber expected a pullback but strong stocks do not let late bulls enter comfortably. This one is in a high tight flag and while it may last several more days the trend here is indeed to the upside.

We are not saying to buy it - only explaining what may be happening.

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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