

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

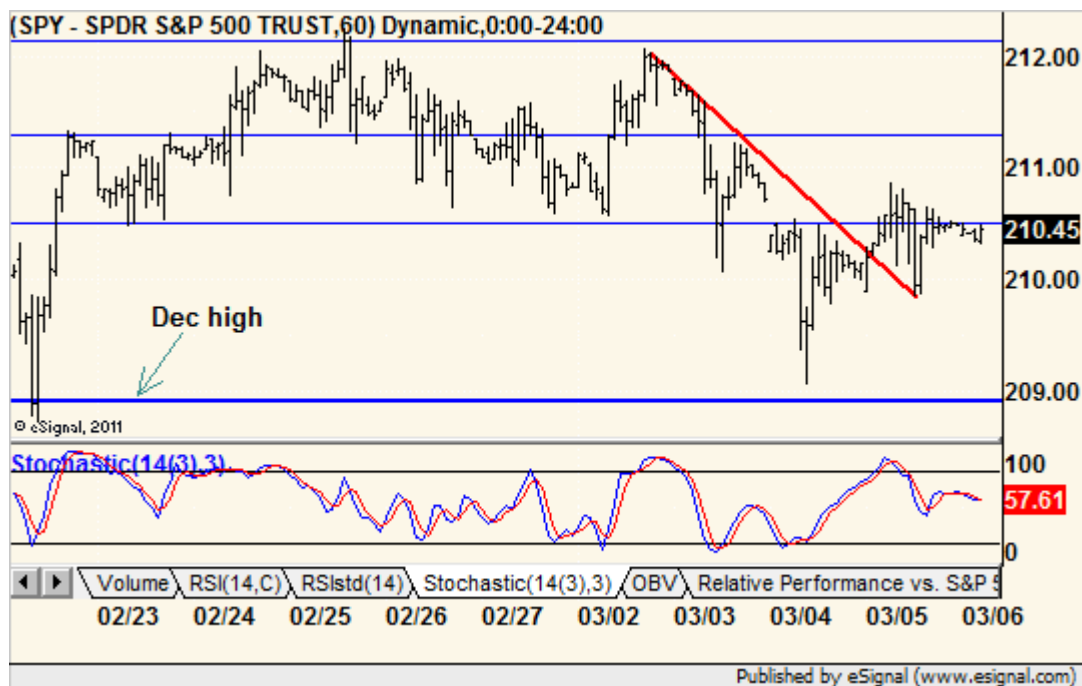
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March 6, 2015 – Aside from being Alan Greenspan's and Shaquille O'Neil's birthdays, it is monthly jobs report day. By the time you read this, the news will be out (better than expected) but the reaction will still be young. We really won't get an idea of the market's mood for a few hours into the day. In the early going, dollar up, bonds and commodities down, stocks were up then they were down. The latter was not helpful at all!

We are going to pay particular attention to the dollar, which was up big before the news after being up big on Thursday and up even more after the report. True, it is mostly because the euro is so darn weak but the greenback will have implications for gold and oil. We are not sure about its immediate impact on bonds but that is another whole story to watch.

We didn't see a whole lot in sectors yesterday other than a nice jump in biotech. Healthcare is one of the places to look for purchases and if you missed it we covered drugs yesterday.

Other notables include industrial metals miners (really **FCX**) falling and supermarkets (really **KR**) jumping.



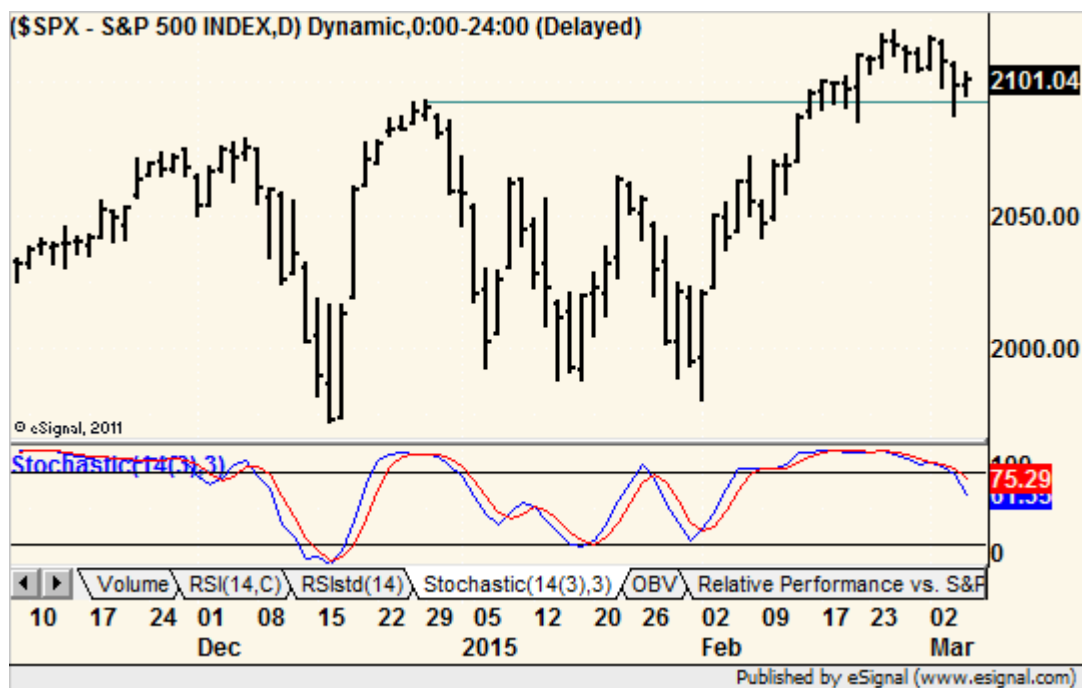
The pre-jobs malaise was quite clear and the hourly chart's upside bias was quashed. It may have failed at resistance but again, there is a lot of knees to jerk before things settle down.

So, we are left with waiting for the jobs report fallout.

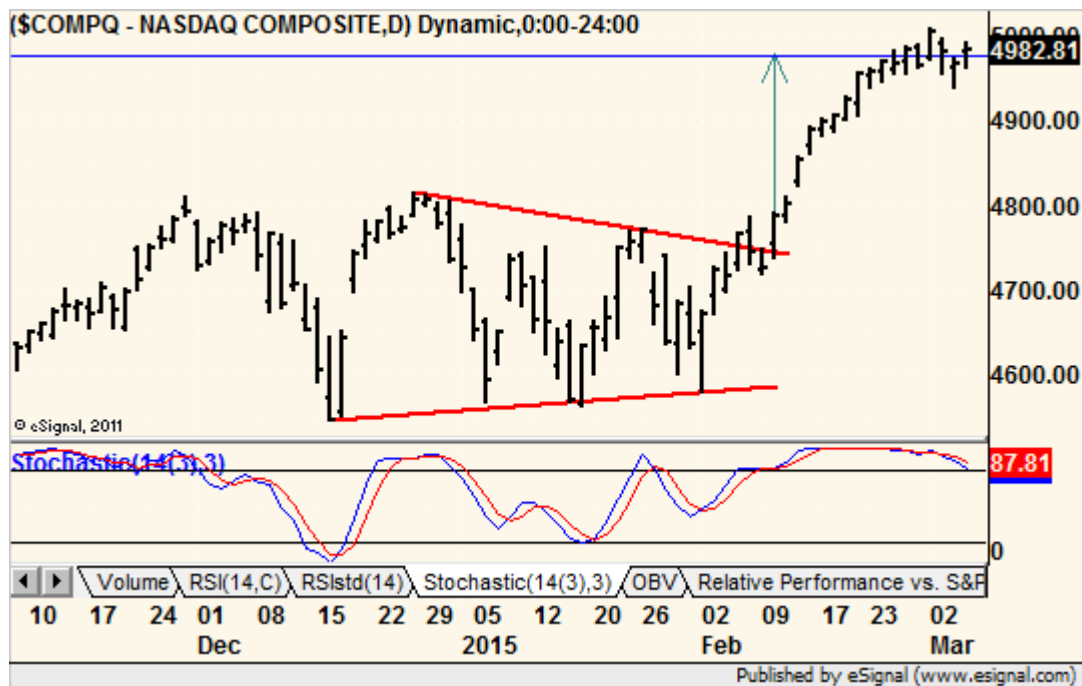
Repeating from yesterday:

We are modestly bullish as the trend is up, breadth is good, seasonals and cycles are with it and global QE is still alive and well. It is just that this bull is old, even if not the longest on record by far. The economy stinks – better but still smelly – and the disconnect between it and the stock market cannot last forever. True, the stock market cares more about companies making money and they are. But eventually, we consumers will tap out.

Index Charts of the Day



The S&P 500 did nothing yesterday and we are left with “will it hold support here or not?”



The Nasdaq is holding rather nicely at its upside target (from the triangle pattern). That is bullish but not definitive as a buy signal. Of course, a breakout now would be.

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		
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.		2/15
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. Cup-with-handle		2/5
Boston Properties BXP – This is an office REIT and it also touched the 50-day average. We like on-balance volume was flat during the decline instead of falling to show demand. Buy close above 140.		2/23
Applied Materials AMAT – Chip equipment maker on the verge in a hot sector. Buy close over resistance at 25.65. Nasty Tuesday but setup still intact		3/3
Wal-Mart WMT – The minimum wage news did nothing for the stock but with peers TGT and COST doing well, the failure here to get to the lower channel line is bullish. So is stochastics, which is bottoming above oversold levels as it would in a rising stock. Wait for the break. Buy close over 85.50 .	Changed	3/4
Tempur Sealy TPX – This mattress maker always seems to disappoint on earnings and then recover. A sloppy resistance level drawn at 57 (looks better on daily close charts). Holding resistance so we'll buy over 57.80 – on close	Changed	2/24
Supernus Pharma SUPN – A drug stock with a coiling pattern. On-balance volume is slightly positive and MarketWatch likes the fundies. Nice move on a down day. Buying now.	Triggered	2/24
Sprint S – Looking good over inverted H/S neckline at 5.3. Note rising stochastics lows.	Triggered	3/4
Mylan Labs MYL – DRG index member. This one tested a trendline breakout so it is at a lower level and therefore lower in risk. Note on-balance volume barely budged during the test. P/E lower than peers. Buying now.	Triggered	3/5
Bearish Implications		
none –		
Unknown Implications		
Procter & Gamble PG – Triangle pattern sitting on 200-day average. On-balance volume is flat to slightly lower. Buy 86.50, sell 84.50	Triggered (short)	2/27

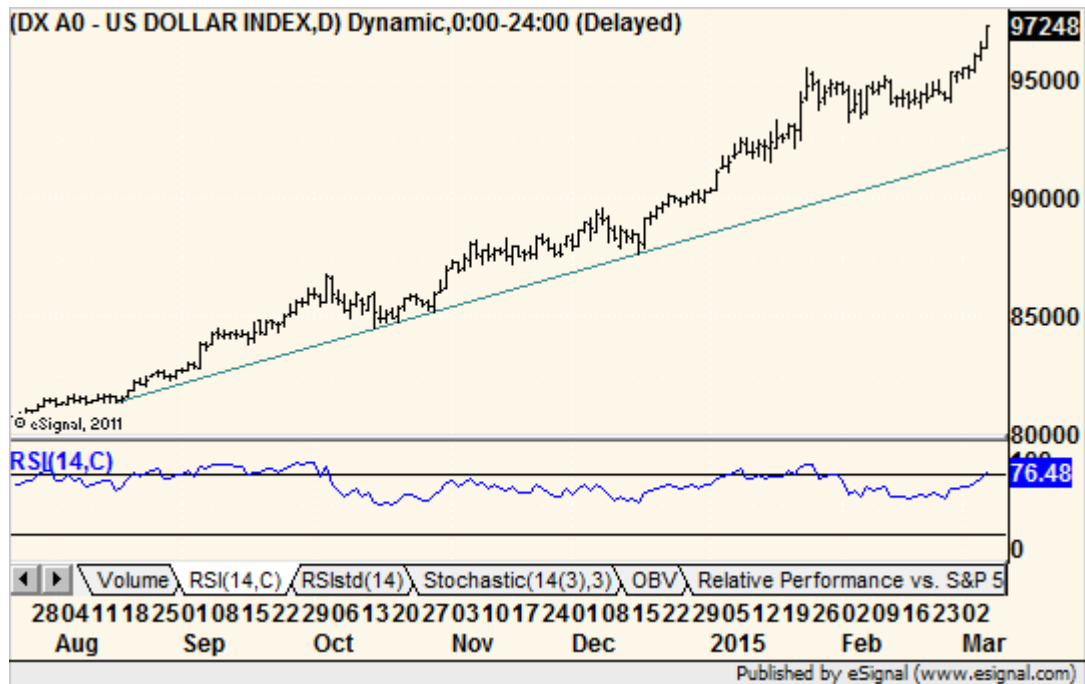
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Holding Tank - red shade leans bearish, green shade leans bullish		
Archer Daniels Midland ADM – Some sort of sideways pattern healing the stock after a big fall in December. OBV leaning lower. Death cross pending		
Kroger KR – Don't fight the trend but this grocer sports some bearish warnings in RSI and Bollinger Bands. Clearly broken now so we have to wait to sell a bounce. This bounce was too much to fade.	Removed	3/2
Verizon VZ – Looking like it wants to break out from trendline. Already above its major averages. Still, peer T is not quite as nice and that makes this less compelling.		3/2
Sector Watch (observations that may spark ideas)		
Retail XRT – market performer but apparel retailers starting to set up		2/6
Technology XLK – leading the market		2/12
Homebuilding ITB – leading the market and now a new breakout. Long-term pattern very bullish.		2/12
Financials XLF – lagging the market. WFC holding up nicely		2/12
REITs IYR – The flag morphed into a channel and it is now below the 50-day. Not excited about it anymore but it still bears watching for a breakout.		2/23
Semiconductors – SOX broke out but now testing it		2/25
Social Media ETF SOCL – Trend break and now in a pause. Rising on-balance volume and 200-day average just above.		2/26
Updates		
NYSE Composite – Did not follow through on Wednesday's hammer candle but there is still time.		

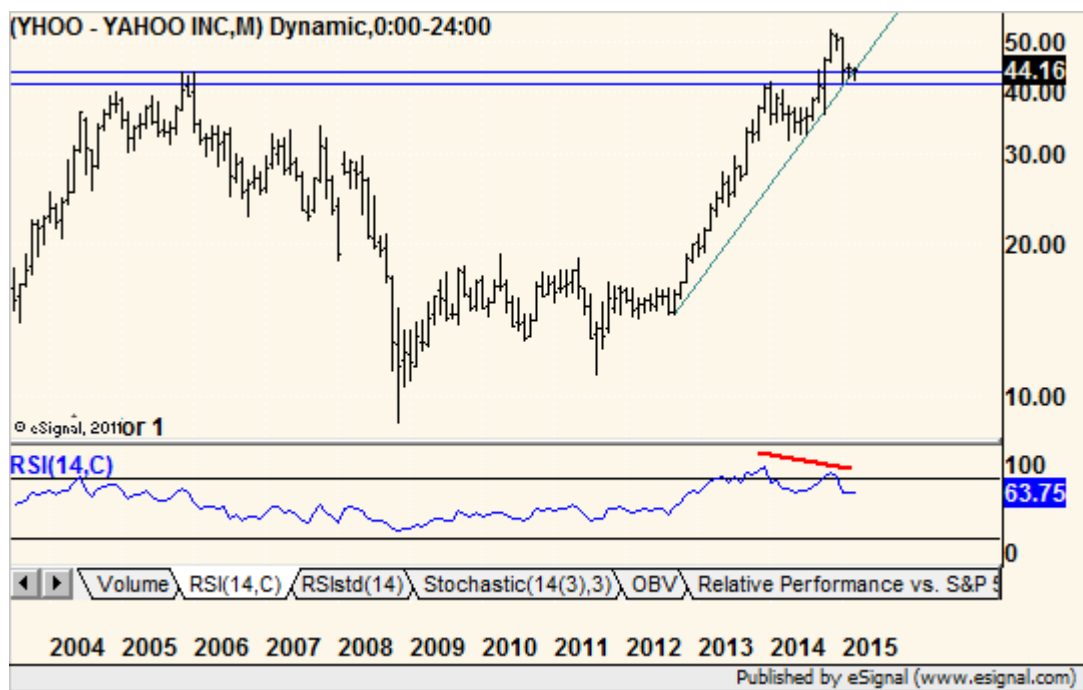
Market Highlights



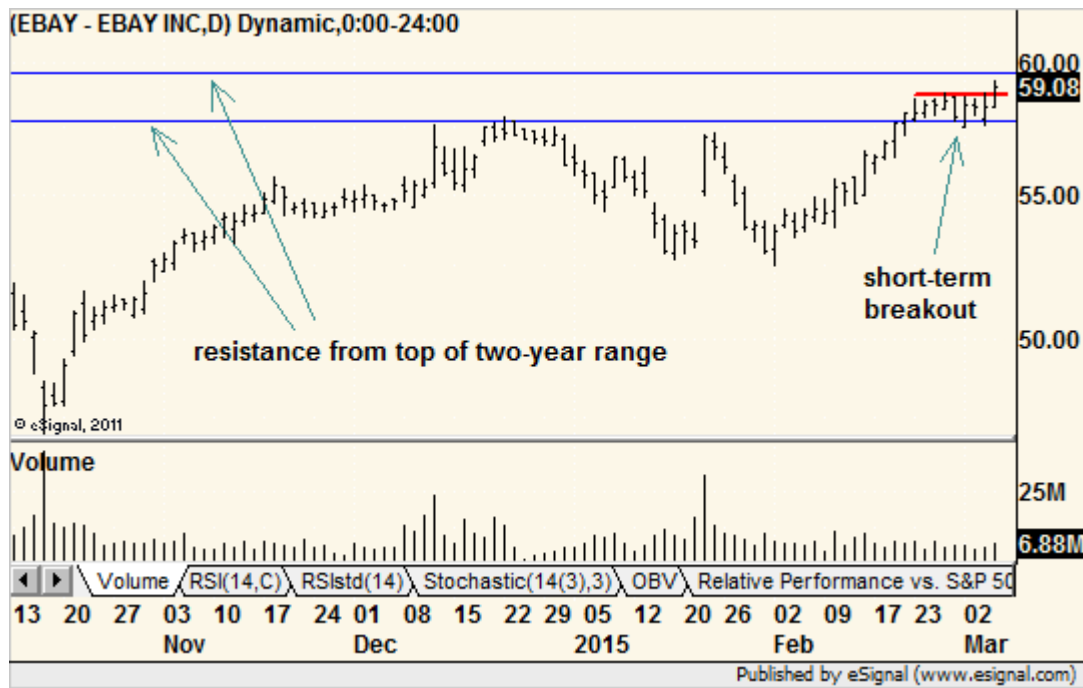
T-bond ETF – With the preliminary post-jobs dip, this could be a trendline breakdown.



Dollar Index – Loved the jobs news. A bit overbought already.



Yahoo – A long-term warning on Yahoo as it tests the breakout from a multi-year base. Monthly RSI is showing a bearish divergence but the trendline is intact. Crossroads. The 52 level is critical/



eBay – This old Nazzie hero looks pretty good for a long-term 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>	LO	LORILLARD INC	67.90	5.3%	sell	64.46	1/13	51
	EWI	ISHARES MSCI ITALY CAPPED ETF	14.68	3.7%	14.25	14.16	2/2	31
	HAL	HALLIBURTON CO	42.94	-0.1%	42.50	42.97	2/5	28
	MAR	MARRIOTT INTL INC NEW	82.90	7.5%	81.00	77.13	2/11	22
	GOOGL	GOOGLE INC	581.44	6.5%	560.00	546.01	2/12	21
	XLV	HEALTH CARE SELECT SPDR	72.84	2.0%	71.00	71.43	2/19	14
	MMM	3M CO	167.57	-0.3%	165.00	168.12	2/20	13
	VAL	VALSPAR CORP	87.26	-2.8%	85.00	89.75	2/24	9
	AMAG	AMAG PHARMACEUTICALS INC	51.39	14.0%	49.00	45.07	2/25	8
	AMGN	AMGEN INC	159.60	2.0%	153.00	156.50	2/25	8
	XLNX	XILINX INC	41.38	-2.0%	40.50	42.21	2/25	8
	SM	SM ENERGY CO	46.30	-8.9%	46.00	50.83	2/27	6
	SUPN	SUPERNUS PHARMACEUTICALS	9.89	3.5%	9.20	9.56	3/5	0
	S	SPRINT CORP	5.38	1.5%	5.10	5.30	3/5	0
	MYL	MYLAN N V	56.69	0.8%	54.50	56.26	3/5	0
<u>Short</u>	ETR	ENTERGY CORP NEW	77.02	2.6%	80.00	79.00	3/2	3
	PG	PROCTER & GAMBLE CO	84.63	-0.2%	86.00	84.50	3/5	0

Notes: We are going to sell **LO** as it really should have stopped out yesterday.

Tweaking stops on **GOOGL** and **AMAG**.

We are not pleased with **SM** and its much bigger than normally permitted draw down.

New longs in **SUPN**, **S** and **MYL** – Two healthcare and a telecoms.

New short in **PG** on a triangle breakdown.

Other Information

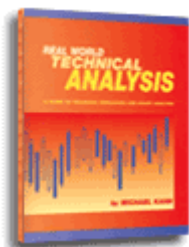
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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