

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

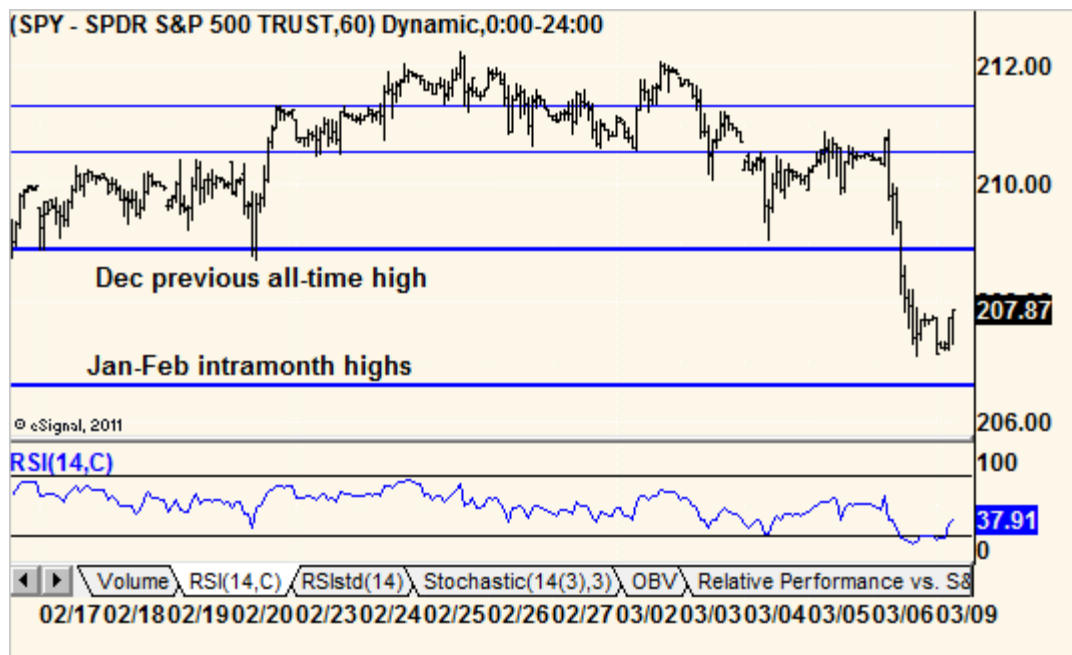
March 9, 2015 – Only in a mangled, manipulated market would another better-than-expected jobs report cause such bad feelings. After all, if the economy is chugging along then the Fed will have no choice but to raise rates sooner rather than later. Not to mention demand for money – i.e. interest rates – will go up on the long end of the curve. The horrors!

But how many times has the Fed, and just the Yellen Fed, surprised everyone with a “not so fast?” Europe is already back to flat after falling at the open to play catch-up with the US. And let’s not forget that fallings bonds, except for Friday, have been good for stocks in the post-financial crisis era.

Long gone are the days when we could predict the Fed using the fed funds futures market.

Let’s keep in mind that long-term trends in stocks and bonds are still up. And the Dow is only four days removed from an all-time high. Yes, it hurt in the short-term but the Fed raising rates – eventually – is certainly no surprise. And what about the ECB’s new stimulus program? Bond buying here boosted the world and so should bond buying there.

Let’s get back to the charts.



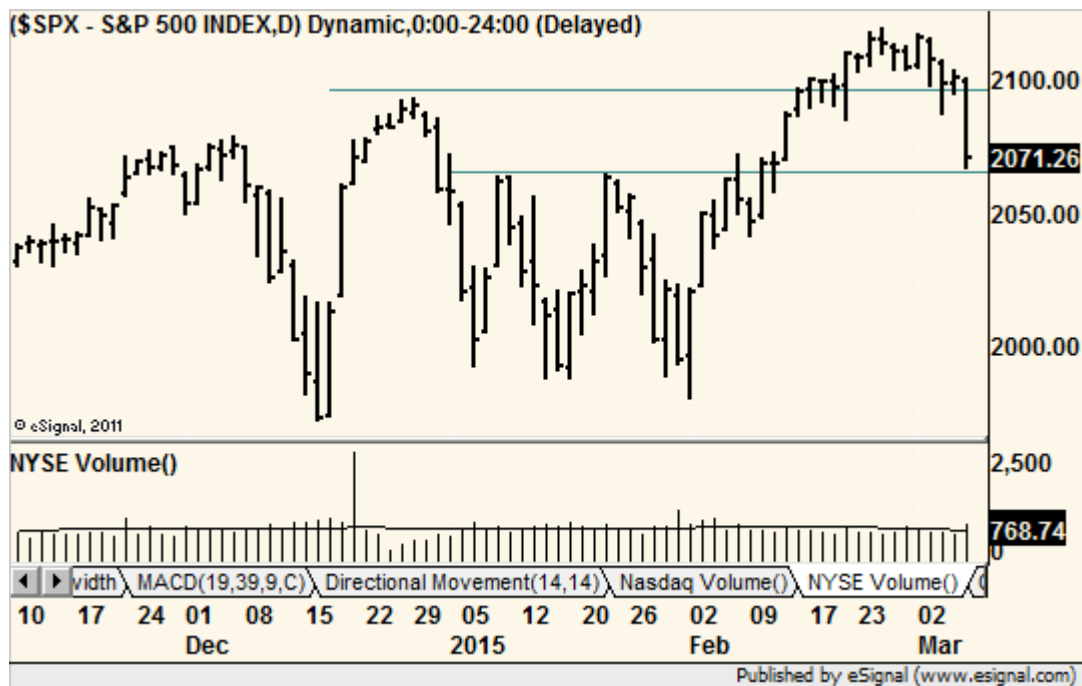
The hourly chart shows support for the old high in December shredded but support from the several highs in Jan and Feb still intact below. No doubt, Friday was a serious decline but it has not left the realm of pullback. It is not in full blow correction mode, which will be the case under the lower bold line above.

The question now is how fast the market shakes off last week’s dusting.

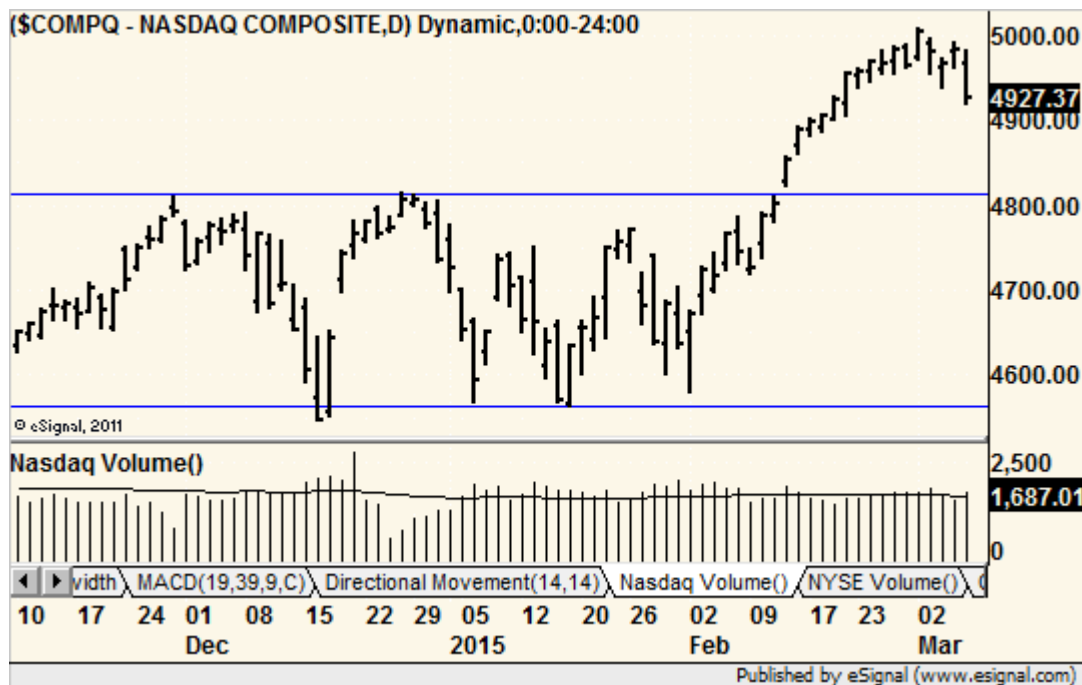
Elsewhere, the soaring dollar killed gold Friday and we have to put it back on the shelf. Breakout setups in gold miners are gone.

Basically, we are on a total reset with the exception of the long-term trend in stocks, which we still think it up.

Index Charts of the Day



The S&P 500 obviously had a big down move to break the first support at the December high. This is now a failed test of the breakout. However, there is a lot of support to get through before this long-term trend changes. Volume Friday was heavy but not exceptional.



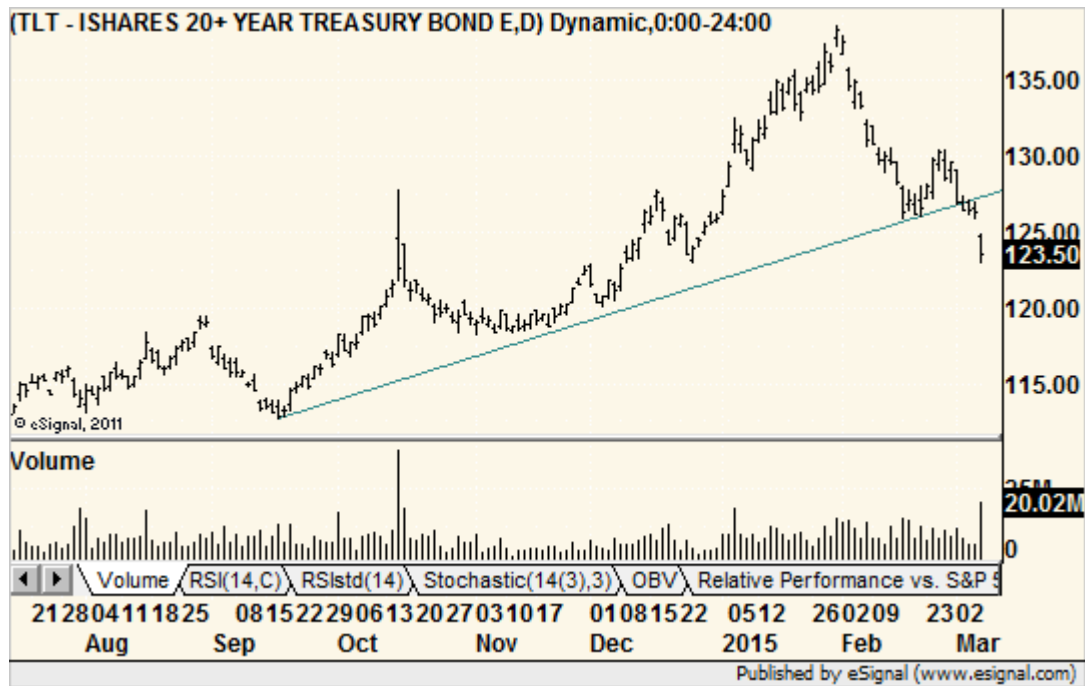
The Nasdaq also felt really bad Friday but in the scheme of things it was just a pullback. Could this be bull flag?

The Radar Screen

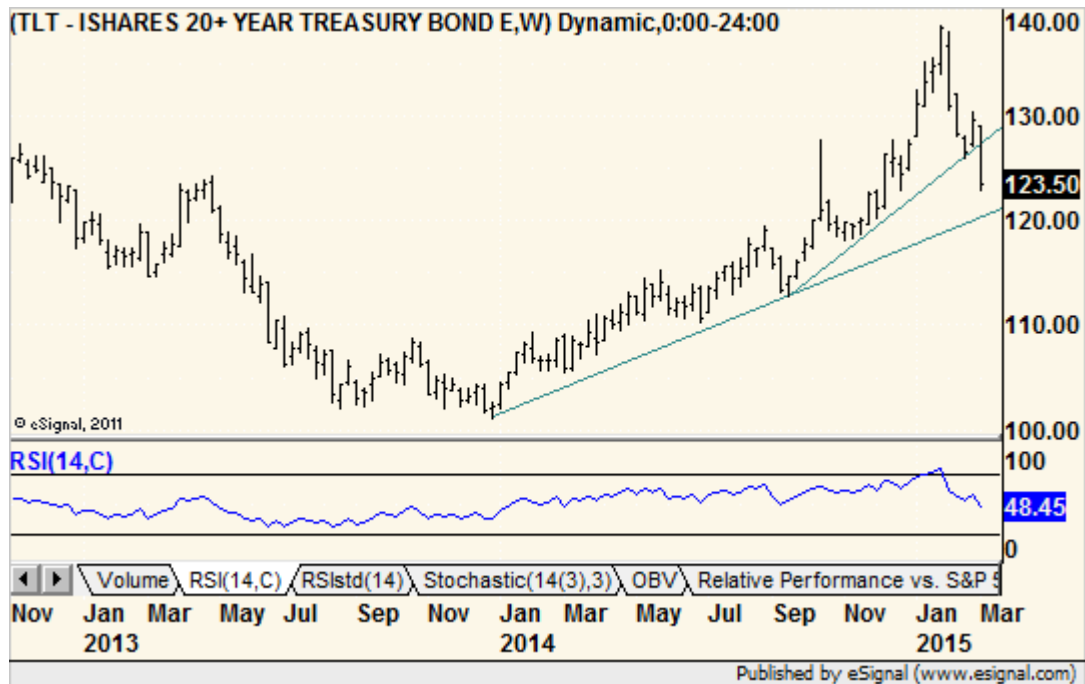
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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. Setup gone	Removed	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. Setup gone.	Removed	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. Setup gone	Removed	2/23
Applied Materials AMAT – Chip equipment maker on the verge in a hot sector. Buy close over resistance at 25.65. <u>Very far from setup but it may develop into something else.</u>		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.		3/4
Bearish Implications		
none –		
Unknown Implications		
none –		
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. Broke down but we will wait to see if the market bounces.		
Verizon VZ – Setup gone	Removed	3/2
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). Setup faded but we still want to watch.	Moved	2/24
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. Sizeable hit on Friday		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 but see chart below		2/12
REITs IYR – Dead setup	Removed	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		
Yahoo YHOO – Correction, the critical support on the chart is 42 (not 52).		
eBay EBAY – Held a nice breakout on a very bad market Friday		

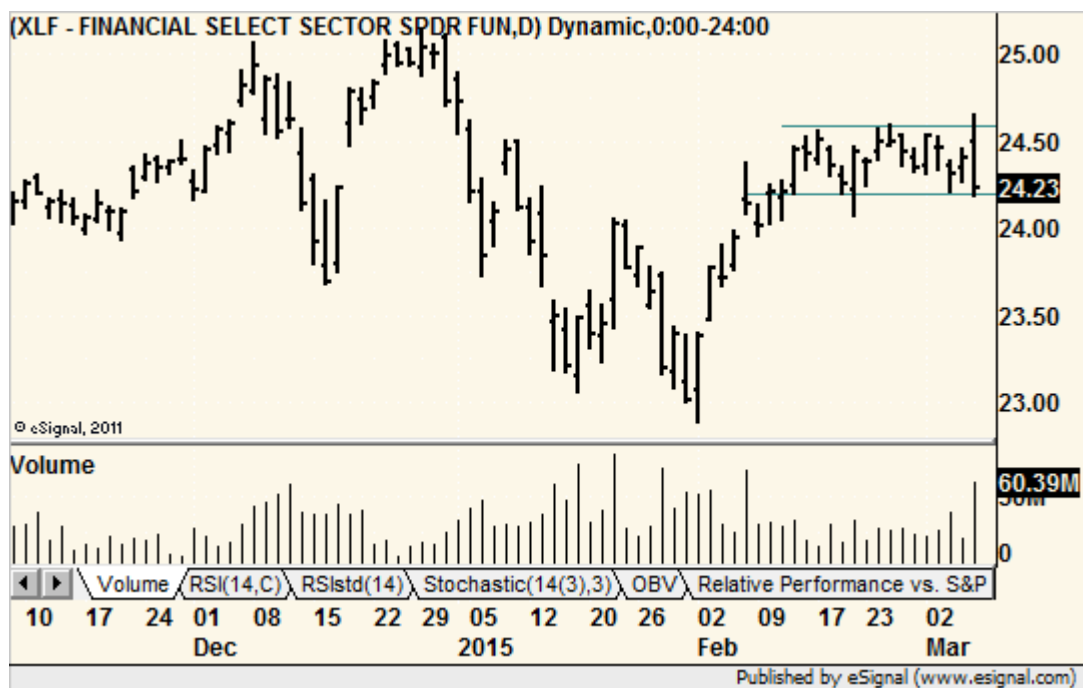
Market Highlights



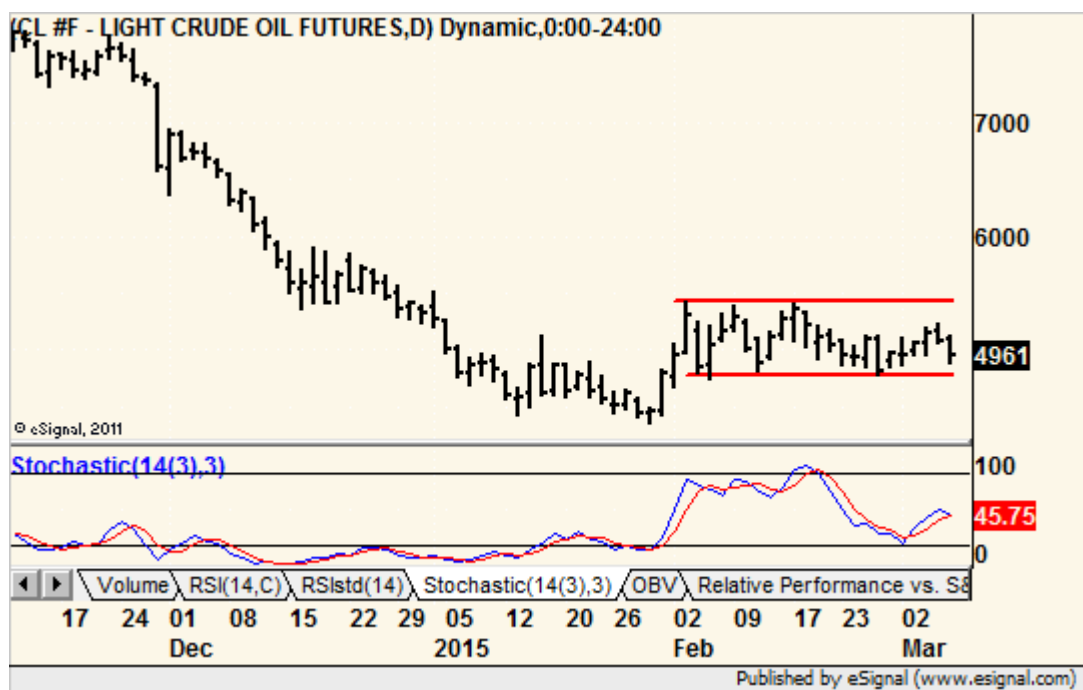
T-bond ETF – Not much to add to the picture. This is broken in the short-term. See next chart...



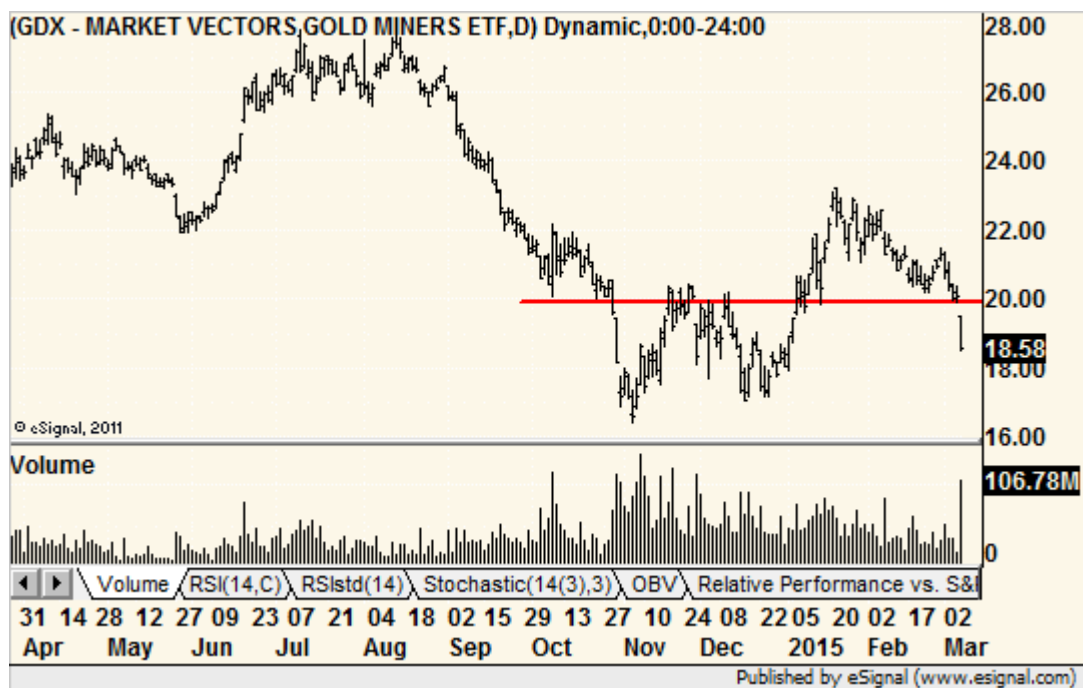
T-bond ETF – The weekly chart shows the next trendline support. It is not that far below.



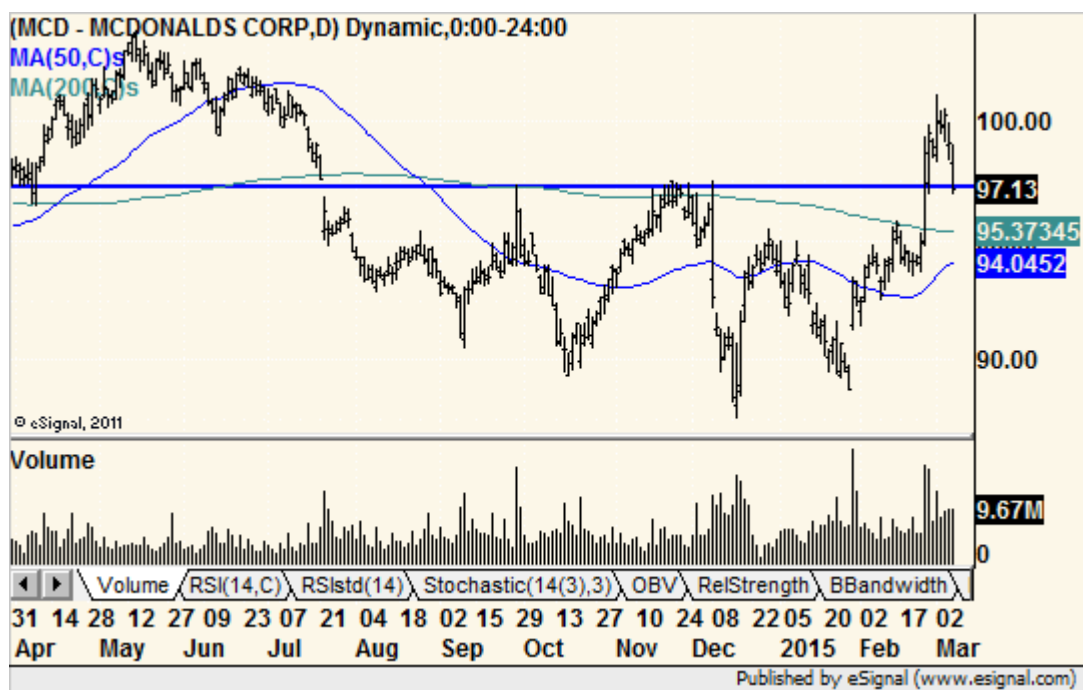
Financial ETF – A rather worrisome reversal in the financials.



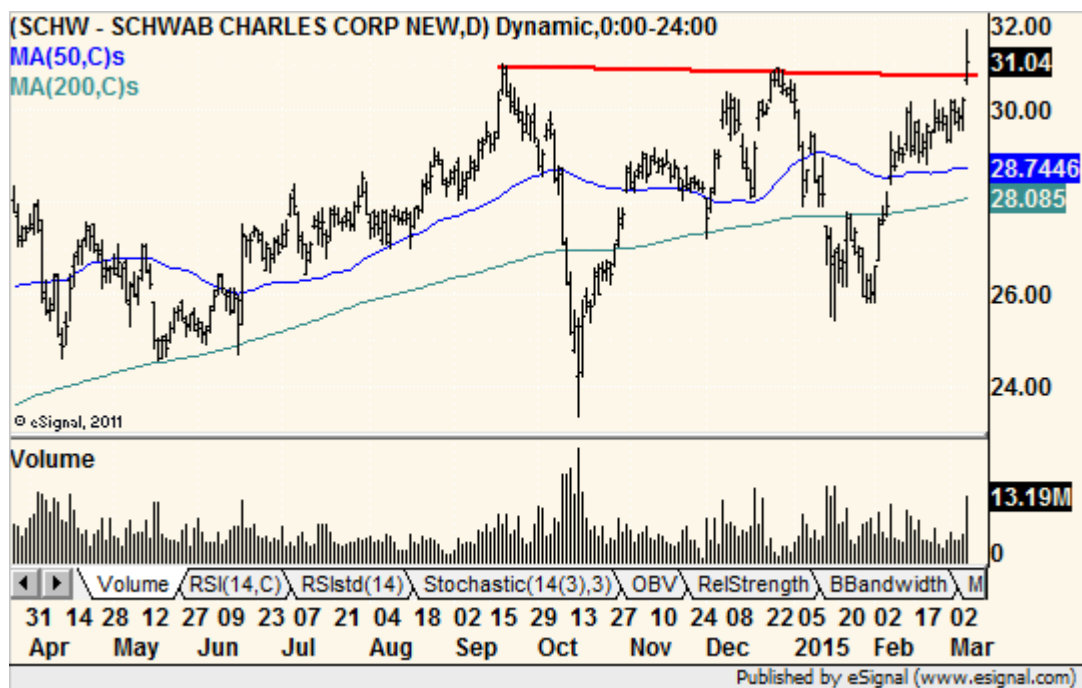
Crude Oil – Down but not out.



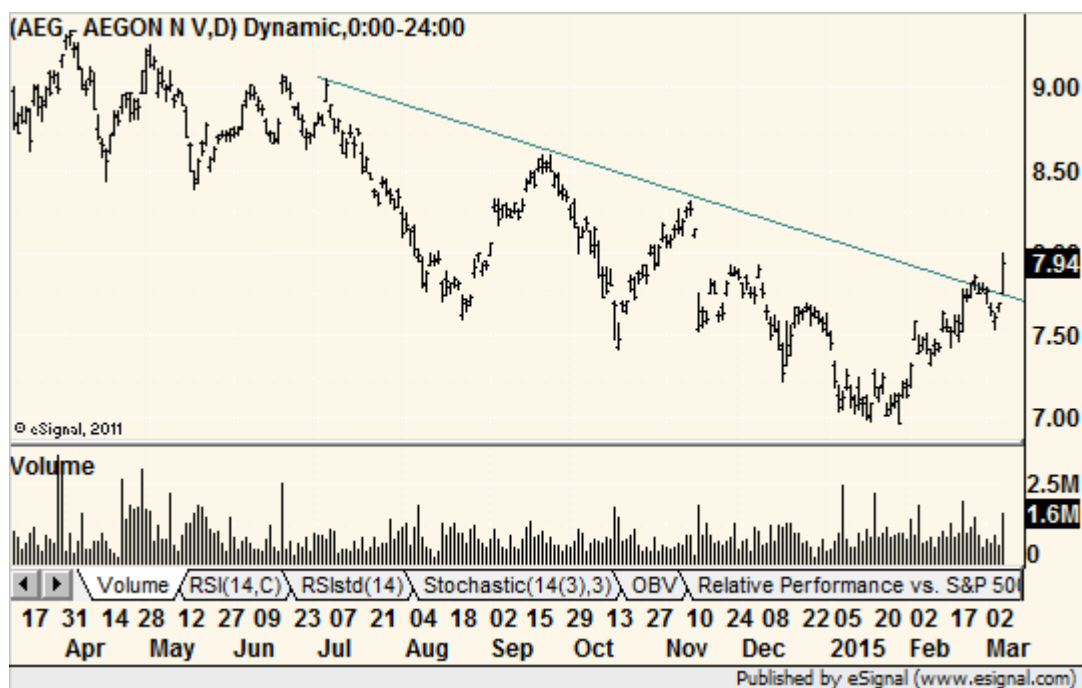
Gold Miners ETF – The party is over for now.



McDonald's - Perhaps a test of the breakout?



Schwab – All the online brokers broke out Friday. Not screaming buys but certainly bucking the market’s trend.



Aegon – Another trend buckler – both market and its sector (insurance). It liked the strong dollar.

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	67.78	5.2%		64.46	1/13	54
	EWI	ISHARES MSCI ITALY CAPPED ETF	14.36	1.4%	14.25	14.16	2/2	34
	HAL	HALLIBURTON CO	42.50	-1.1%		42.97	2/5	31
	MAR	MARRIOTT INTL INC NEW	81.52	5.7%	81.00	77.13	2/11	25
	GOOGL	GOOGLE INC	572.90	4.9%	560.00	546.01	2/12	24
	XLV	HEALTH CARE SECTOR SPDR	71.41	0.0%	71.00	71.43	2/19	17
	MMM	3M CO	165.00	-1.9%		168.12	2/20	16
	VAL	VALSPAR CORP	86.59	-3.5%	85.00	89.75	2/24	12
	AMAG	AMAG PHARMACEUTICALS INC	51.58	14.4%	49.00	45.07	2/25	11
	AMGN	AMGEN INC	154.88	-1.0%	153.00	156.50	2/25	11
	XLNX	XILINX INC	40.58	-3.9%	40.50	42.21	2/25	11
	SM	SM ENERGY CO	46.00	-9.5%		50.83	2/27	9
	SUPN	SUPERNUS PHARMACEUTICALS	9.79	2.4%	9.20	9.56	3/5	3
	S	SPRINT CORP	5.23	-1.3%	5.10	5.30	3/5	3
	MYL	MYLAN N V	55.44	-1.5%	54.50	56.26	3/5	3
<u>Short</u>	ETR	ENTERGY CORP NEW	74.67	5.8%	78.00	79.00	3/2	6
	PG	PROCTER & GAMBLE CO	82.66	2.2%	86.00	84.50	3/5	3

Notes: Obviously, a bad day for a bullish list. Stopped out of two energies and an industrial but the pharma stocks did much better. And the stop-and-reverse in utilities (we sold a long and added a short) was a good thing.

Sold **LO** at the open, which was also opportune.

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

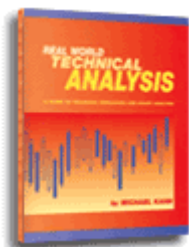
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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