

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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March 13, 2015 – Who has triskaidekaphobia? Fear of the number 13. Not me as today I will be visiting with my accountant to do my taxes.

The market was not very afraid yesterday as it rebounded from Tuesday's drubbing in a big way. Well, mostly. The advance-decline was basically a mirror image but new highs surged back to twice new lows from the reverse Tuesday. Curiously, small caps did better than big caps on a day when the dollar came down. We'll take that as meaning the dollar is not done although it still is overbought.

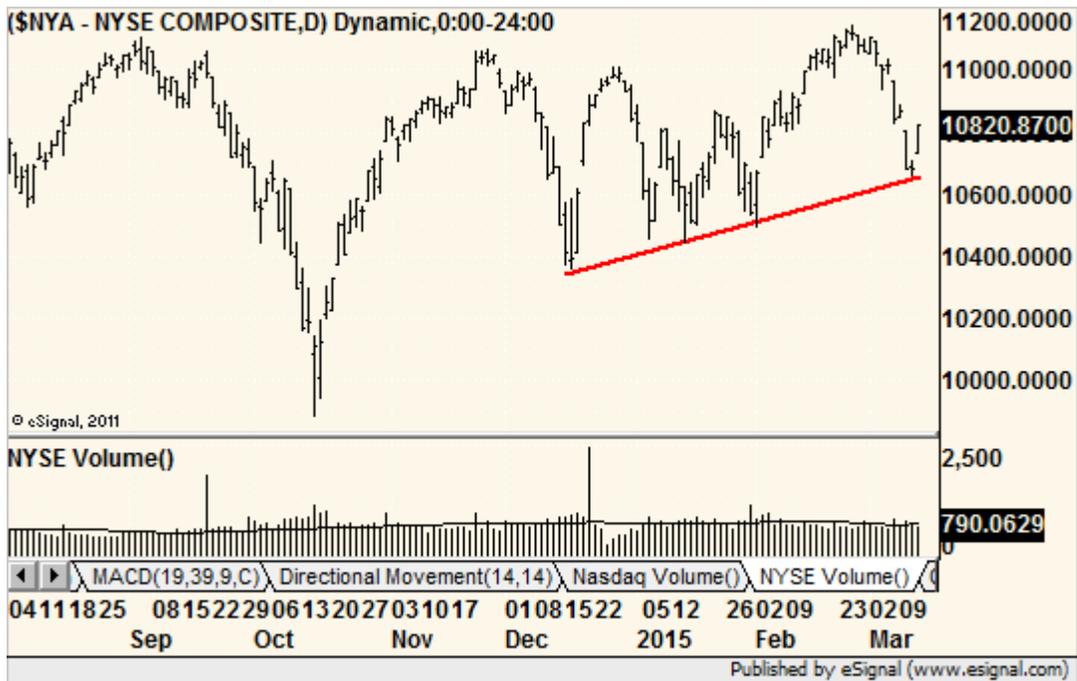


The hourly chart shows a nice rally off divergence and near support. We cannot say, however, that the falling trend has been broken to the upside just yet. It was more of a reaction to very oversold conditions and we'll need to see resistance taken out as shown. It is mighty close.

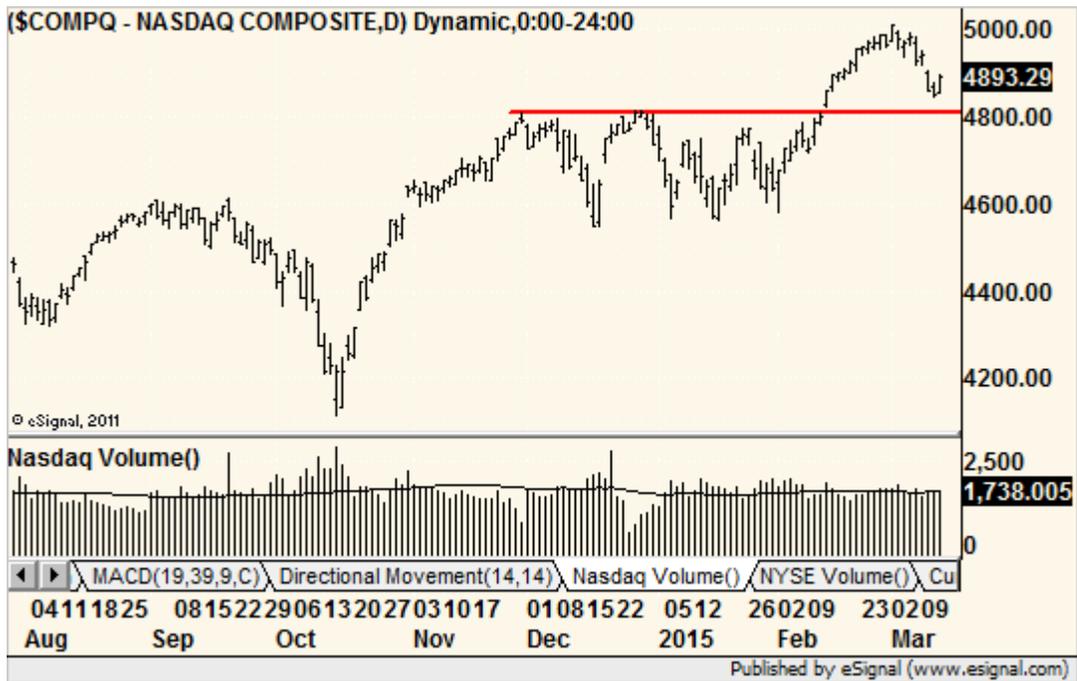
Not much to talk about in sectors other than biotech and pharma soaring. No, not big pharma such as **MRK** but check out the Advice Tracker.

It seems that the market is already waiting for the next Fed chat.

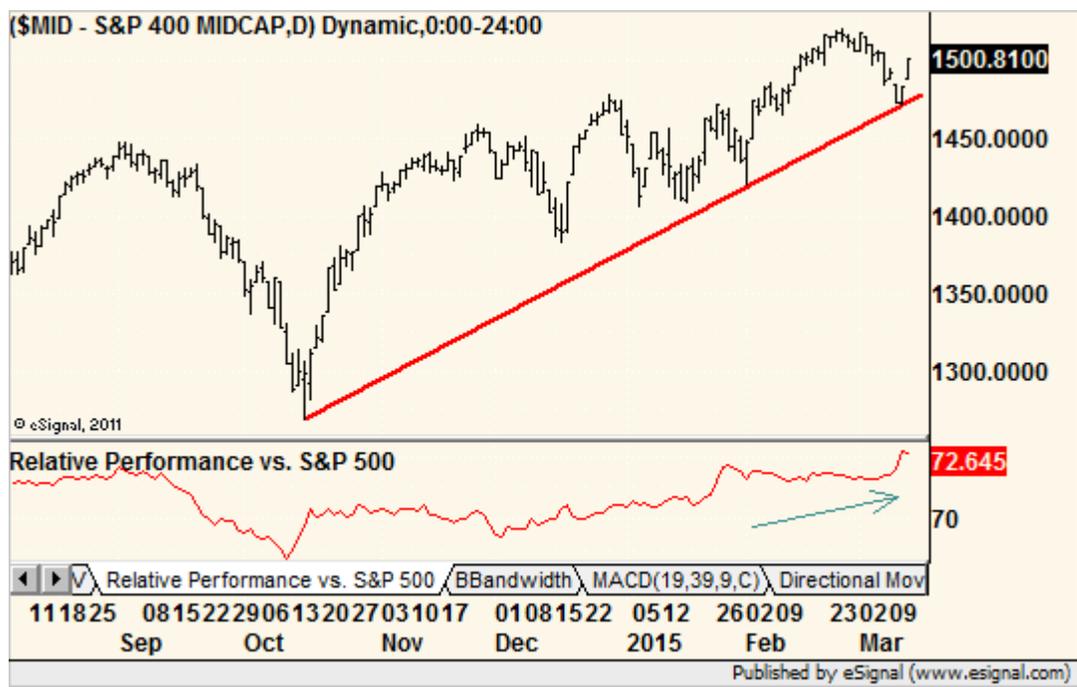
Index Charts of the Day



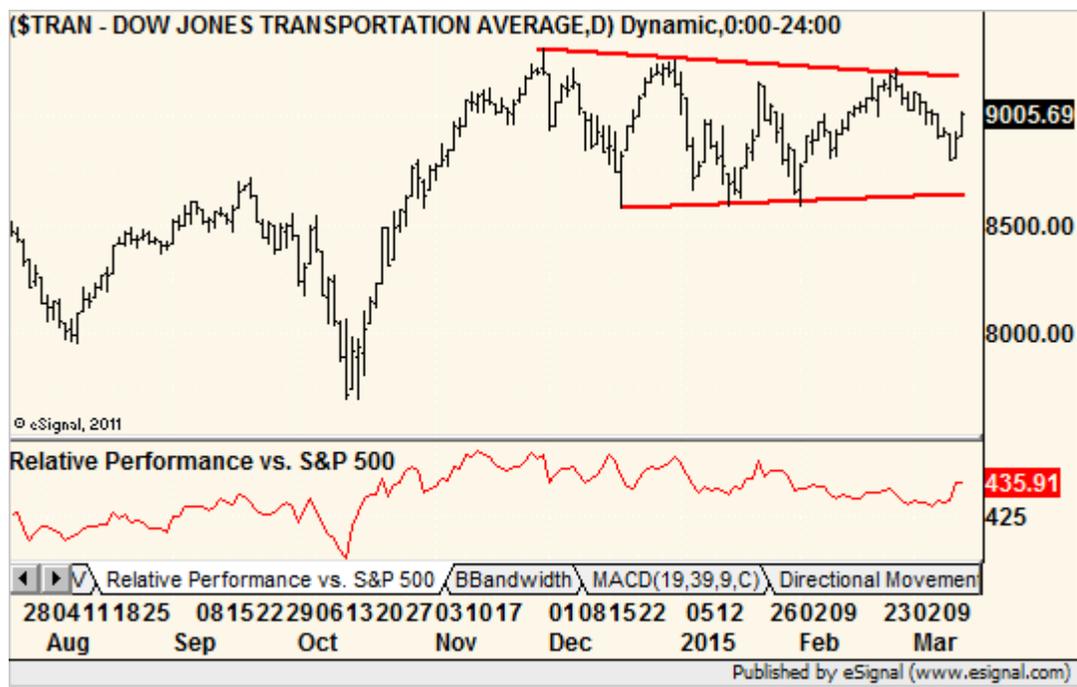
Nice bounce for the NYSE composite index although volume was light.



Ditto Nasdaq.



Midcaps looking pretty good.



Transports more flat than anything else. Check out the **FDX** chart below.

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		
General Motors GM – Bull flag or sagging rectangle. Given the market, this shows relative strength and on-balance volume is not bad, either. Buy 38 on close.	Triggered	3/10
Wal-Mart WMT – We've been following a falling wedge pattern looking for the breakout. Wednesday saw a price plunge and it is now nearing important supports. Buying close over Thursday high at 82.12.	Moved (again)	3/4
E-Trade ETFC - A high, tight flag for this online broker. Note rising on-balance volume. Buy 28.25 above resistance.	New	3/13
Bearish Implications		
none –		
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Yahoo YHOO – Critical support on the chart is 42		3/9
BP BP – Oil stocks are hurting in the short-term but look at the support below for BP. It has a 6.2% div yield now. Imagine what it will be down at 34 ¾.		3/12
Sector Watch (observations that may spark ideas)		
Retail XRT – Now starting to outperform		2/6
Technology XLK – no longer leading the market. Breakdown		2/12
Financials XLF – Breakdown.		2/12
Semiconductors – SOX broke out but now testing it		2/25
Online brokers - broke out Friday. Not screaming buys but certainly bucking the market's trend. Now testing breakouts. Putting buy trigger on ETFC		3/9
Tobacco – We closed a long position just in time. This defensive sector is sinking fast but the chart break is due to PM . However, MO , RAI and LO are breaking from much stronger positions an offer big dividends. Circle back here in a week to see if there is opportunity. Huge bounce Thursday.	New	3/12
Updates		
none –		

Market Highlights



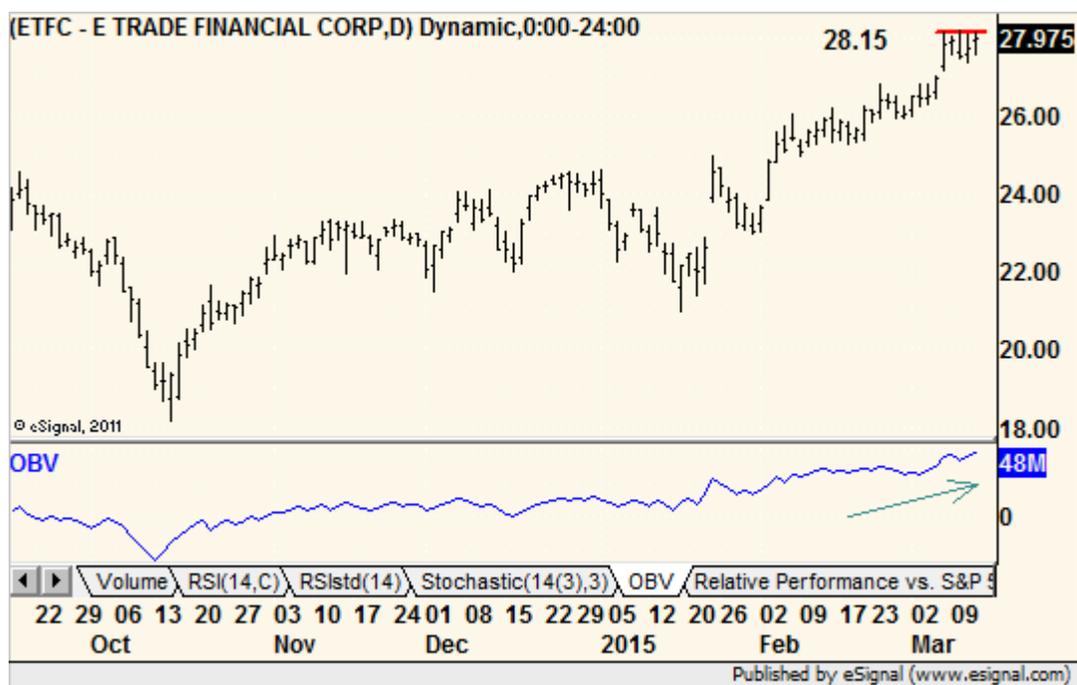
Dollar Index – A stutter step yesterday but it is still rather overbought. Needs more rest but the trend is still up.



FedEx – Just watching as it formed a nice triangle. Stochastics is oversold for a bounce but the depth of oversold is bearish. A neutral range might have even stochastics lows.



Semiconductors – INTC tanked yesterday but the sector closed near its high. The sector is still looking decent.



E-Trade – A high, tight flag for this online broker. Note rising on-balance volume. Buy 28.25 above 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>	MAR	MARRIOTT INTL INC NEW	82.80	7.4%	81.00	77.13	2/11	29
	XLV	HEALTH CARE SELECT SECTOR SPDR	71.95	0.7%	71.00	71.43	2/19	21
	VAL	VALSPAR CORP	86.98	-3.1%	85.00	89.75	2/24	16
	AMAG	AMAG PHARMACEUTICALS INC	54.14	20.1%	51.00	45.07	2/25	15
	SUPN	SUPERNUS PHARMACEUTICALS INC	11.41	19.4%	10.75	9.56	3/5	7
	MYL	MYLAN N V	62.30	10.7%	59.00	56.26	3/5	7
	MCD	MCDONALDS CORP	96.25	-0.7%	94.50	96.91	3/10	2
	BBY	BEST BUY INC	40.85	2.2%	39.00	39.97	3/10	2
	GM	GENERAL MTRS CO	38.43	0.0%	37.00	38.43	3/12	0
<u>Short</u>	ETR	ENTERGY CORP NEW	75.12	5.2%		79.00	3/2	10
	PG	PROCTER & GAMBLE CO	82.09	2.9%	84.00	84.50	3/5	7

Notes: A super day for us as the pharma sector soared. Stops raised for all three of our “positions” but watch out for resistance coming into view for **SUPN**. Stop also raised in **BBY**.

New long in **GM** as it closed above the trigger.

Covered short in **ETR** as our quick “stop-and-reverse” in the utilities sector paid off with a quickie.

Subscriber Corner

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



Twitter – The question was whether this is a cup-with-handle pattern as mentioned in Investor’s Business Daily. One of the rules of the pattern is that it is a consolidation in a rising trend. We see many people use it as a bottoming pattern and while many of its features are still valid at bottoms the labeling violates IBD’s own rules.

With that said, we see the cup shape with a handle and volume does have the confirming characteristics. A breakout from the handle should be a good buy signal.

But pull out to the longer-term and see the triangle pattern from the all-time high and all-time (traded) low. A breakout now would break that pattern, too.

Two-pager on cup-with-handle, [click here](#).

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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