

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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March 27, 2015 – So much for out like a lamb. The weather is crap here in the Northeast, the markets are in tizzies and the world is on fire again. Although as Billy Joel sang, "We didn't start the fire. It was always burning since the world's been turning."

Yesterday was probably more indicative of what we can expect. During the meat of the bull market, these sorts of panics were met with immediate buying. Now at this late stage we have to see if it will happen again or as we saw yesterday the market made a nice but not broad recovery. Half the industry groups we follow stayed red. The advance-decline and A/D volume were fairly negative yet there were still 24 new NYSE highs. We'll have to see if there is any upside follow through today and that is why we are not going to swoop in to reload our longs to full strength.

Oil spiked up allegedly on short-covering and nothing more. But oil stocks jumped up and then closed lower suggesting the energy sector crisis is not over (the same happened in gold mining). That does not mean energy stocks are not healing and we've got a Subscriber Corner stock showing just that.

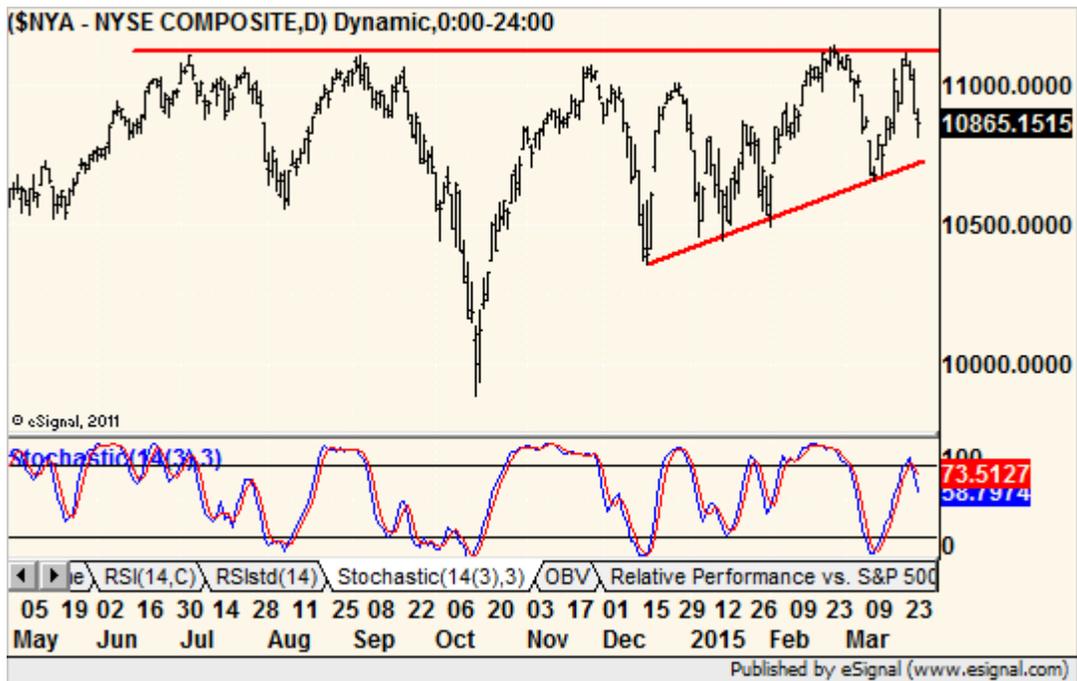
Glamour sectors of semiconductors and biotechs suffered sharp losses this week but closed near their best levels of the day Thursday. I wrote up **TXN** for another website as a stock that shook off its froth and is now a bargain.

Finally, we've got some sector ratio charts to show some rotation into defensive areas. While we do not think the bull market is over this does seem to be a riskier time than it was just last week.



The only comment we can make here is that the overnight sag is another test of support and unless it starts to move higher soon we will have to remain cautious. That is not much to go on but we don't have much else.

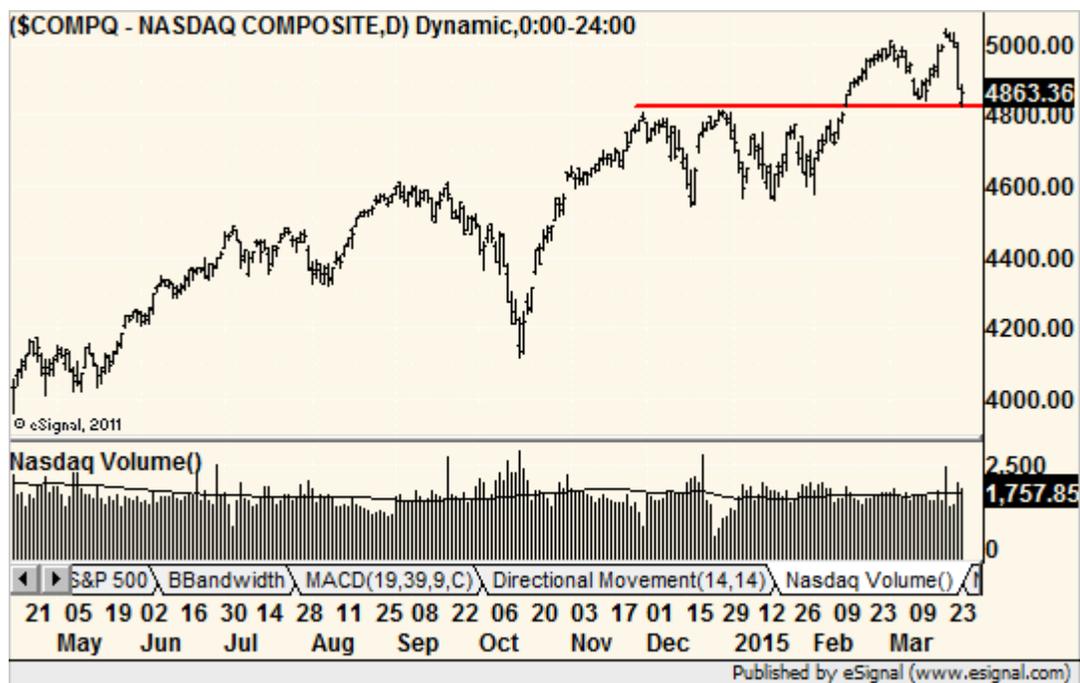
Index Charts of the Day



This is probably the chart to watch right now.



Or maybe this one.



Or this one.

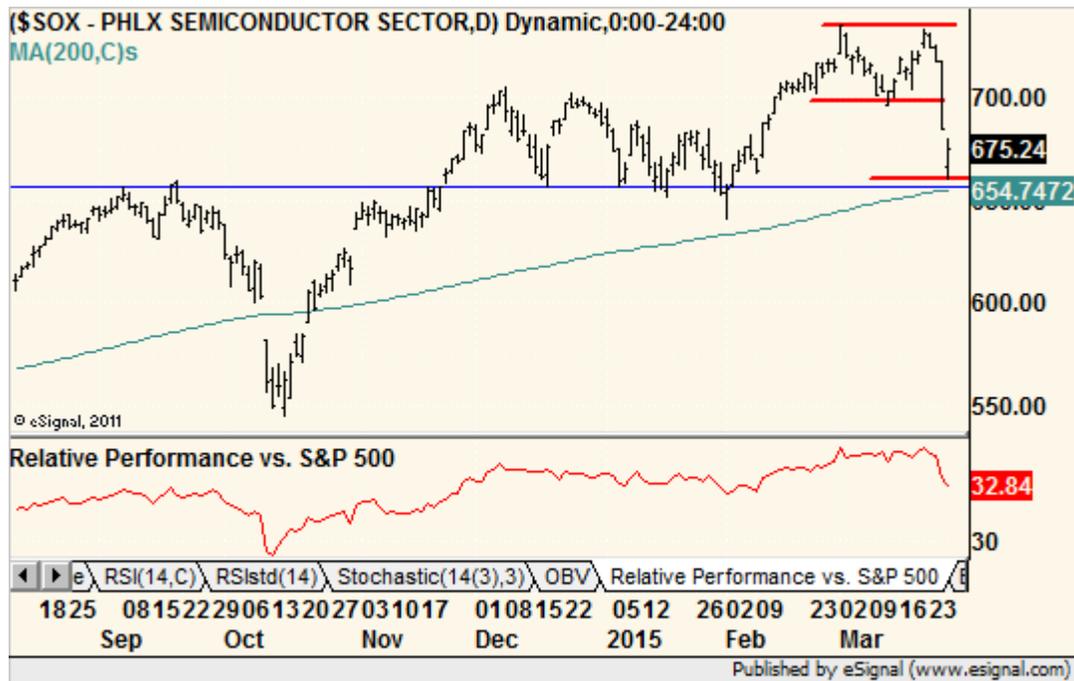
The point is that there are a few charts that have rather clear boundaries and two of the three lean bullish.

The Radar Screen

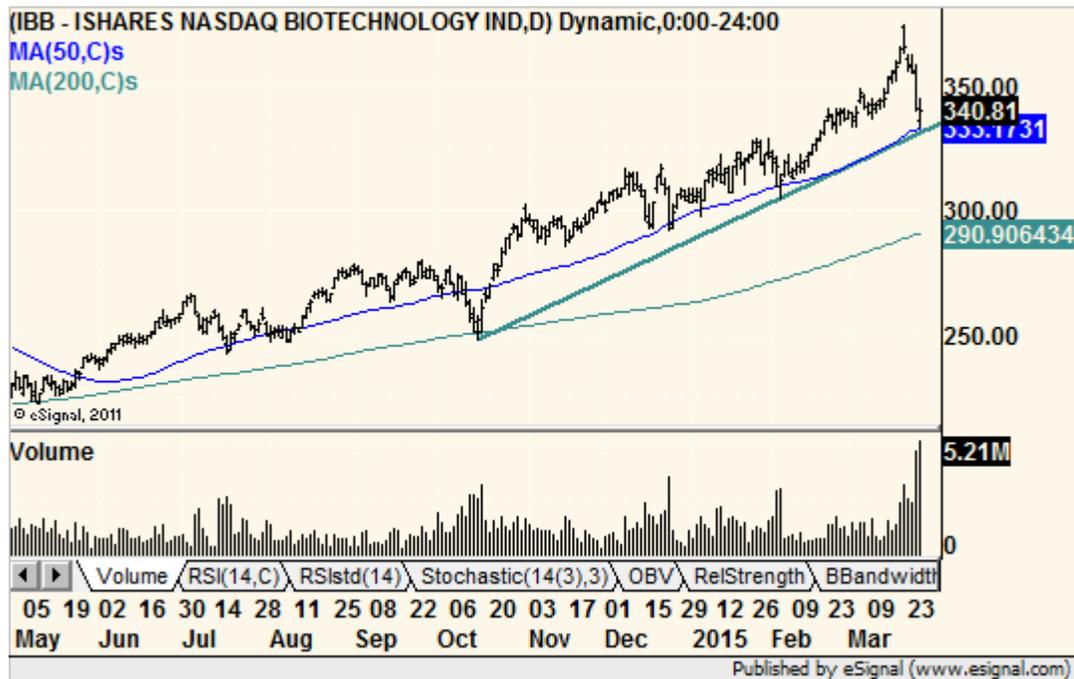
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
Navios Maritime NM – We looked at the shipping index Friday. Here is a dry shipper looking to come out of a base. Nice volume last week. Buy close over 4.65.		3/23
Bearish Implications		
none –		
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
BP BP – Just waiting for a drop to support and drooling over that huge dividend		3/12
Potash Corp POT – This fertilizer stock looks intriguing with a big dividend (ex-div April 9) and a big departure from the mean looking like it wants to snap back. Letting it dip to support and hope it happens in time to capture the dividend.		3/17
Edison Intl EIX – This utility has flat on-balance volume instead of falling and that is good. Also above its 200-day average. Waiting for a buy trigger to form. Goes ex-div Friday so we offered it for the bold to pick it up now on a weak open for a quickie. It did not work well but the dividend is there. Moving on.		3/18
Viacom B VIAB – Strong on-balance volume suggests this will break trendline.		3/25
Altria MO – So much for a tobacco bottom. Still like that dividend.		3/19
Sector Watch (observations that may spark ideas)		
Marine Shipping Index SHX – Possible double bottom with rising RSI. Close to a 50-day average breakout. Check out dry shippers NM, DRYS, DSX, VLCCF		3/20
Homebuilders – ITB ETF successfully tested long-term breakout		3/20
Internet – Testing breakouts FB, EBAY . FB looks OK now assuming the market does not start to sell hard today.	Changed	3/26
Updates		
none –		

Market Highlights



Semiconductors – Target achieved and it reversed intraday.



Biotech ETF – Huge volume suggests panic as it hit the 50-day and trendline. Looks buyable with low risk as the stop would be very close.



Fairway – If you live in NYC or vicinity you know and love this supermarket. This chart is to love, as well. Looking for a breakout but be warned it is low prices and trades maybe 200K shares per day.



Regeneron Pharma – Candidate for a biotech reversal.

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>	MCD	MCDONALDS CORP	97.64	0.8%	95.00	96.91	3/10	16
	WMT	WAL-MART STORES INC	81.89	-1.7%	80.50	83.29	3/16	10
	M	MACYS INC	63.50	-1.4%		64.43	3/19	7
	YHOO	YAHOO INC	44.47	-1.1%	43.50	44.98	3/19	7
	BKE	BUCKLE INC	49.25	-3.3%	49.00	50.93	3/20	6
<u>Short</u>	none							

Notes: Stopped out of **M** as the entire retail sector sold off hard.

Admittedly, we are left with a very weak list of stocks. This group is more of a gang of comeback potential rather than strong trenders and we are not happy about it.

Subscriber Corner

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



Nabors – This oil services stock has formed a nice base and has already moved above and tested its 50-day average. On-balance volume is now higher than it was last year when prices were literally double what they are now. This one should come screaming out of the gate when and if the entire energy sector finally starts to improve. See next chart...



Oil Services ETF – Note the bullish RSI divergence. This subsector should lead energy.

Other Information

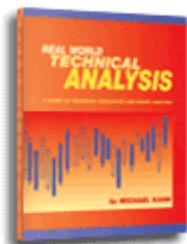
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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