

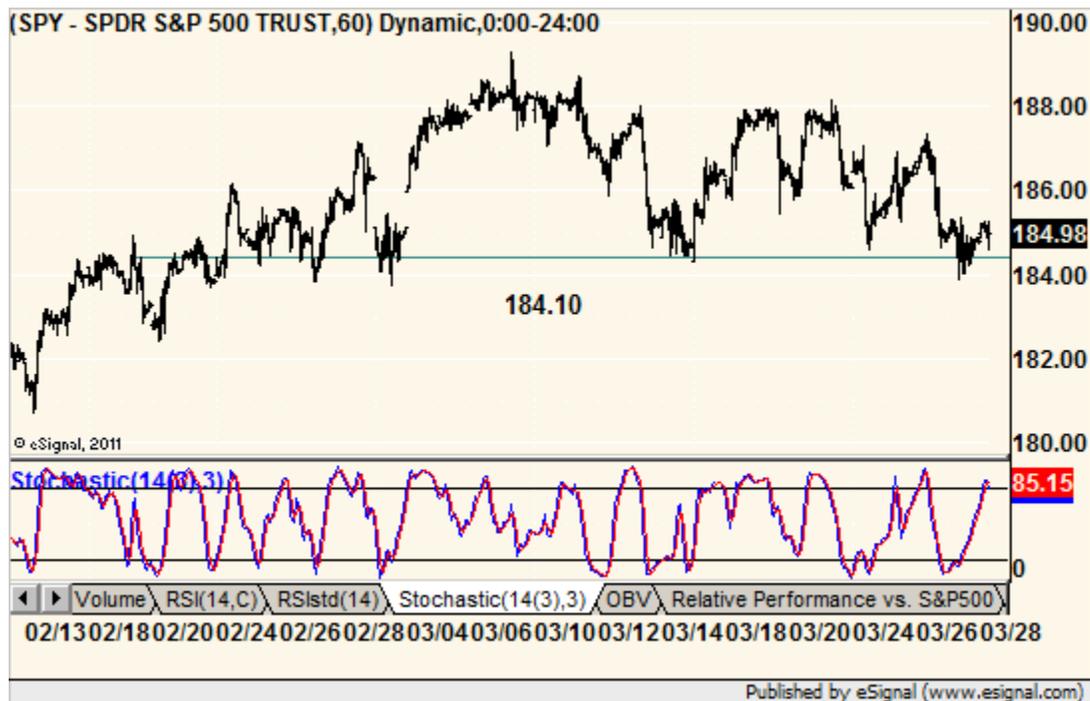
QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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March 28, 2014 – It getting close to the end of the month and while we always expect some kind of shenanigans by those getting paid to have pretty portfolios, the market is looking weaker each day. The big news yesterday was the bank sector, which fell back below its breakout level. Failure of a bullish signal is bearish but we'll take it easy here as it is still above its 50-day average.

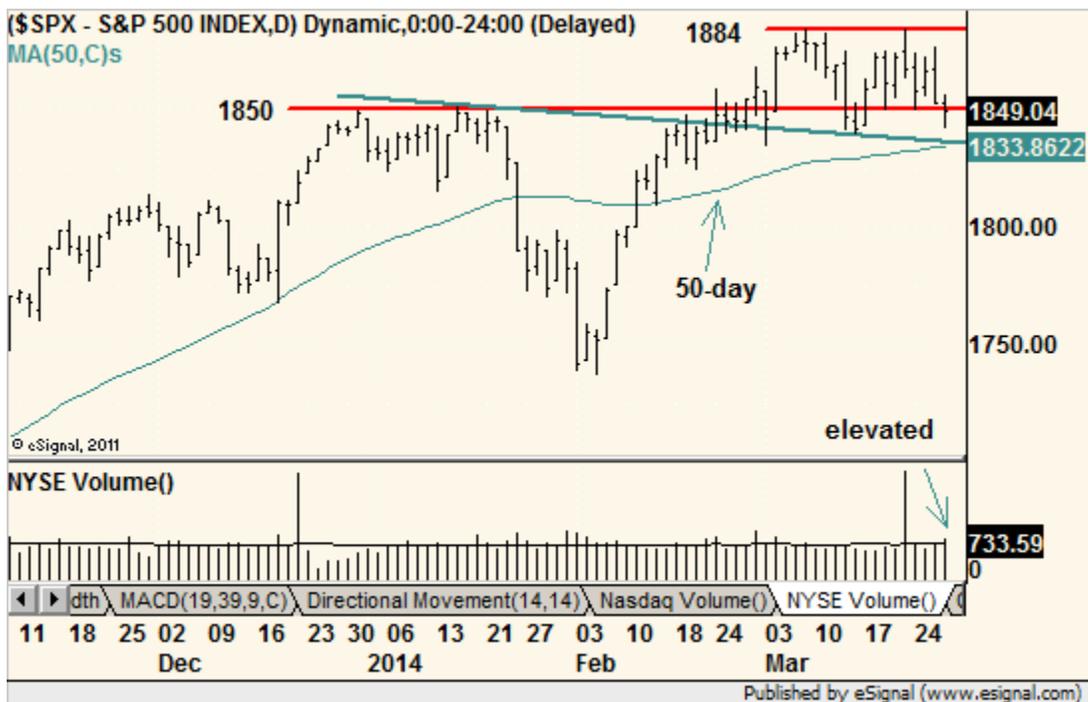
The other three of the four horsemen - homebuilding, tech and retail - are already underperforming and that is a bad sign for the market. If banks go down then the only thing left will be blue chip safety stocks. How long can that prop up the entire market? Not long.



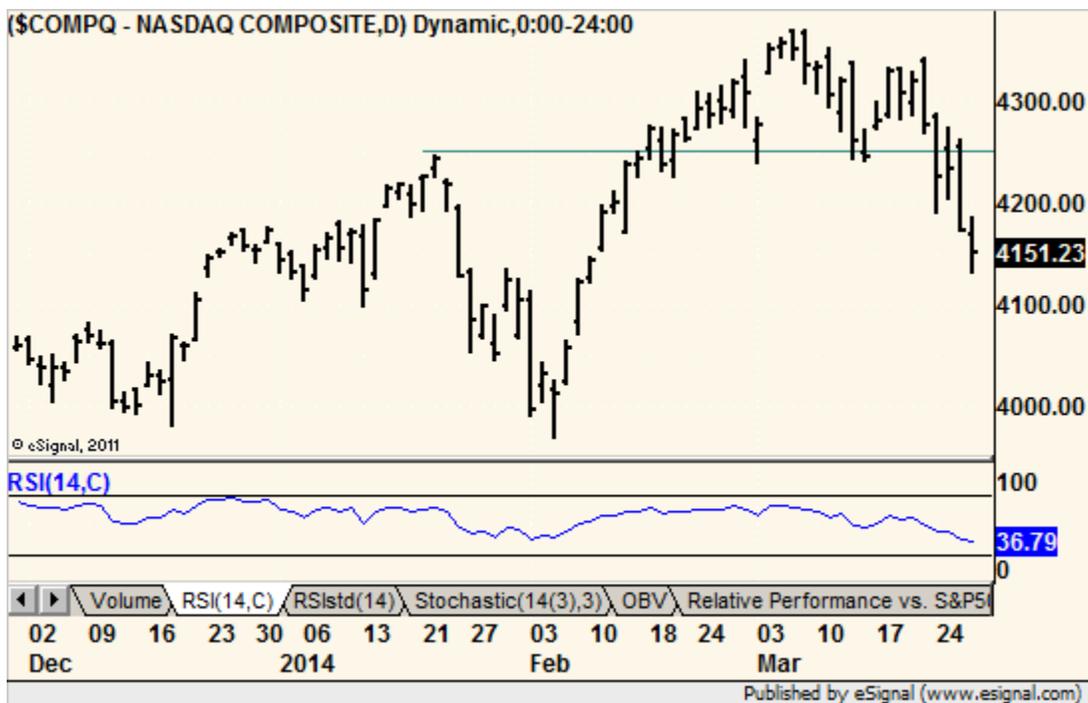
The hourly chart is flirting with a breakdown.

That's it. We are still wait-and-see which way the market breaks but the evidence is starting to pile up in favor of the bears.

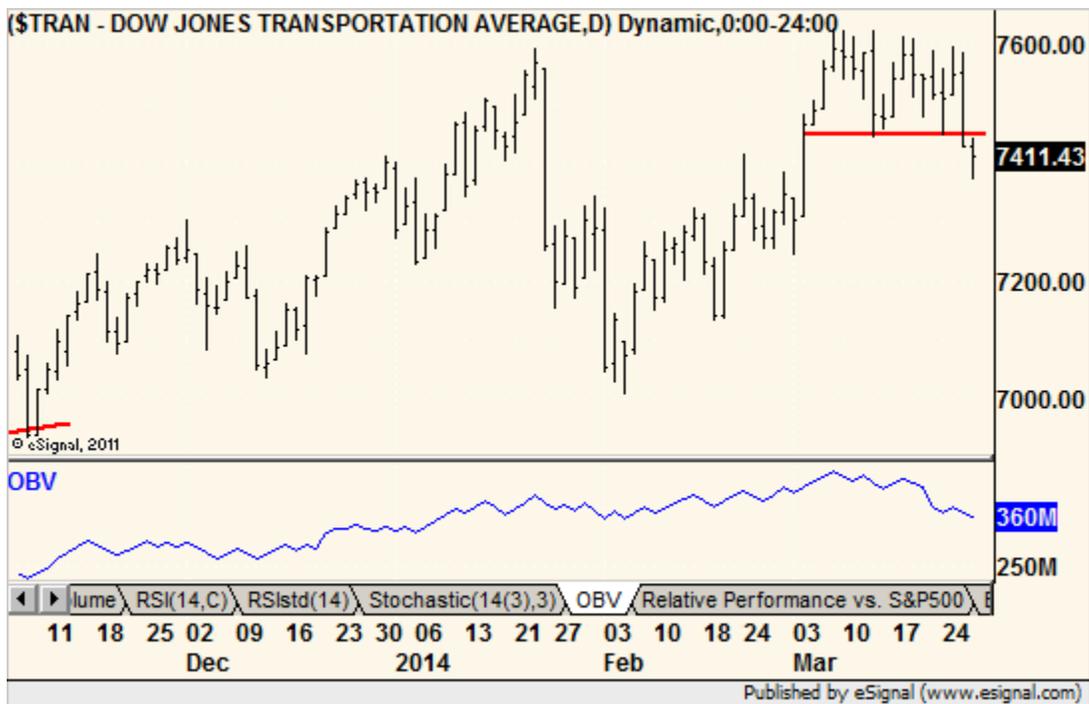
Index Charts of the Day



Closed below the 1850 level - a talking point for analysts. We still have it above support at the sloping green line and 50-day average. Should we toss in "for now?" Probably. See next...



There is no denying this breakdown...



...or this one...



...or this one, and it is now below the 50-day average.

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		
Hasbro HAS - Here is the toy maker stock that we promised Friday. Nice pause at resistance with rising on-balance volume. Buy 55.60. Recent range now looks like it can break either way.		
Bob Evans Farms BOBE - This is a restaurant stocks and it survived a total thrashing March 5 on an earnings miss by rallying back immediately. It had another big volume gain Friday so we'll buy the breakout over 52.10.		3/24
Agco AGCO - This has a bottoming pattern in place. Just reversed at resistance 54.55 but if it takes that out in the near future is will be a buy.		3/26
LinkedIn LNKD - A bullish hammer at a new low. Arguable bullish divergence in several indicators - on-balance volume shown here. If the market picks itself up and it is not obviously just a wiggle (bounce) then this one would be good with a close over Thurs high at 189.29. Beware high P/E.	New	3/28
Bearish Implications		
Boeing BA - We are finally going to set a sell trigger here as the defense sector, while still leading, is starting to weaken. Boeing is by far the weakest in the group. Selling 121.		3/21
Celgene CELG - Here is a biotech with a typical breakdown pattern. It is oversold but a bounce back to test the support break, the 200-day average break and possibly the declining trendline/50-day average combination would be the strategy. Sell bounce to 148 although this may not happen		3/25
Holding Tank - red shade leans bearish, green shade leans bullish		
Gold ETF GLD - Fibonacci price and time suggests a buy on April 9 at a price of 126.34. Price happened but time is way, way off. We are now looking for the 61.8% Fibo at 121.80		3/19
FirstEnergy FE - An electric utility with a possible rounded bottom. We'd like to see it form a "handle" here before breaking out. Forgive the incorrect use of "handle" but a pause at resistance is harder to say.		3/24
Electronic Arts EA - Bull reversal at support. Mixed signals so we are moving on	Removed	3/24
Newmont Mining NEM - This one never had the same shape as the rest of the gold sector. Now it looks as if it formed the trough of the right shoulder. If it completes three-day reversal pattern (morning star on candles) then it would be worth the buy.	New	3/28
Sector Watch (observations that may spark ideas)		
Defense - Watching this leader. Bearish RSI divergence in place but trend still up.		
Banks - Breakout failure	Changed	3/13
Toys - Looking decent for the bulls. Index now testing upside breakout. <u>EA was removed from Holding Tank above but has the same pattern.</u>		3/14
Updates		
MasterCard MA - Angry we missed the sell signal but it now sports a bullish hammer candle. Perhaps it will give us a second chance to sell it.		
Long T-bond ETF TLT - Breakout		
Gold miners ETF GDX - Bull reversal at the 61.8% Fibo . This happened too fast for our liking and gold itself has not fallen as far. Not sure it is time to buy just yet.		

Market Highlights



Banks ETF - Breakout failure.



LinkedIn - A bullish hammer at a new low. Arguable bullish divergence in several indicators - on-balance volume shown here. If the market picks itself up and it is not obviously just a wiggle (bounce) then this one would be good with a close over Thurs high at 189.29. Beware high P/E.



Emerging Markets ETF - Everyone hates it yet it just broke out. I tweeted about the **EWZ** Brazil ETF yesterday. We are not buying but if you are thinking of selling it you probably should not.



Natural gas ETF - The long-term breakout may be resuming.



Newmont Mining - This one never had the same shape as the rest of the gold sector. Now it looks as if it formed the trough of the right shoulder. If it completes three-day reversal pattern (morning star on candles) then it would be worth the buy.

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>	JTP	NUVEEN QUALITY PFD INCOME FD	8.12	3.7%	8.00	7.83	1/23	63
	CORN	TEUCRIUM CORN FUND	33.98	7.6%	32.50	31.57	2/6	49
	DBC	POWERSHARES DB COMMODITY ETF	26.13	-1.5%	25.50	26.53	3/3	24
	SYMC	SYMANTEC CORP	19.27	3.0%	18.50	18.71	3/21	6
<u>Short</u>	JNPR	JUNIPER NETWORKS INC	25.33	0.2%	27.00	25.39	3/11	16
	ACHC	ACADIA HEALTHCARE COMPANY INC	44.82	2.8%	48.00	46.09	3/11	16
	UPS	UNITED PARCEL SERVICE INC	97.05	-1.1%	101.00	96.00	3/21	6
	INCY	INCYTE CORP	51.94	16.2%	55.00	60.35	3/21	6
	CRM	SALESFORCE COM INC	55.97	3.6%	59.00	58.00	3/25	2
	COL	ROCKWELL COLLINS INC	78.53	1.1%	82.00	79.40	3/26	1

Notes: **DBC** must have heard us as it made a nice move higher. **CORN** broke out from a triangle, too.

Tightened stop in **JTP** very tight as it reversed at resistance. We've already captured the March dividend.

Tightened stop in **SYMC** as it "should" have bounced better than this.

Tightened stop in **INCY** so we don't give back too much profit if it bounces from here.

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

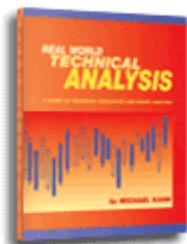
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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