

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

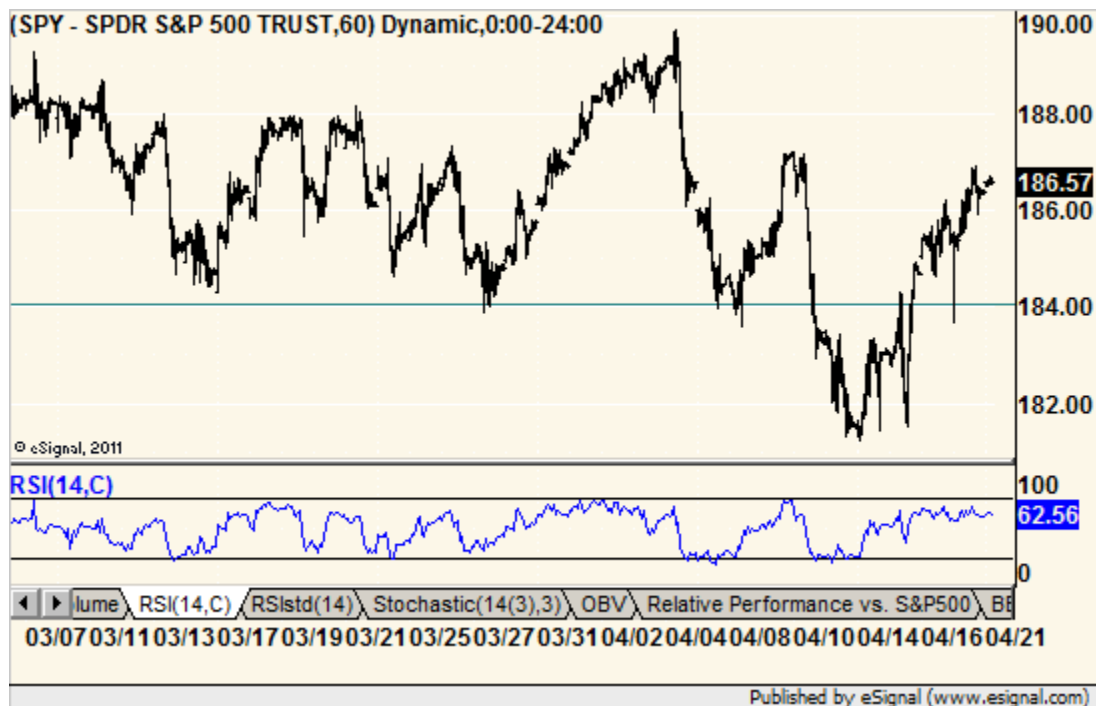
April 21, 2014 - After a long weekend it seems to be rather quiet out there. China did have a really bad Monday, Germany and Philippines did really well but the rest of the globe seems rather benign.

We think the real action was in bonds Thursday and into this morning as the **TLT** ETF scored a rather bit bearish reversal to the downside. So did utilities. There needs to be downside follow through to prove anything but we'll keep this in mind right now. Trends are still up until proven otherwise.

Commodities - not gold and oil - are firm and the **GCC** ETF we showed Thursday looks to be breaking out from a small pattern. You would not know it from futures trading this morning but the ETF action looks good.

We want to point you to the Index Charts of the Day section where we mention the Titanic Syndrome. It is a bearish indicator that fired last week that may or may not have meaning. Does that help us? We say yes for background data but not necessarily as a timing aid. The market has changed and it is likely a matter of time before the bears will get their acts together.

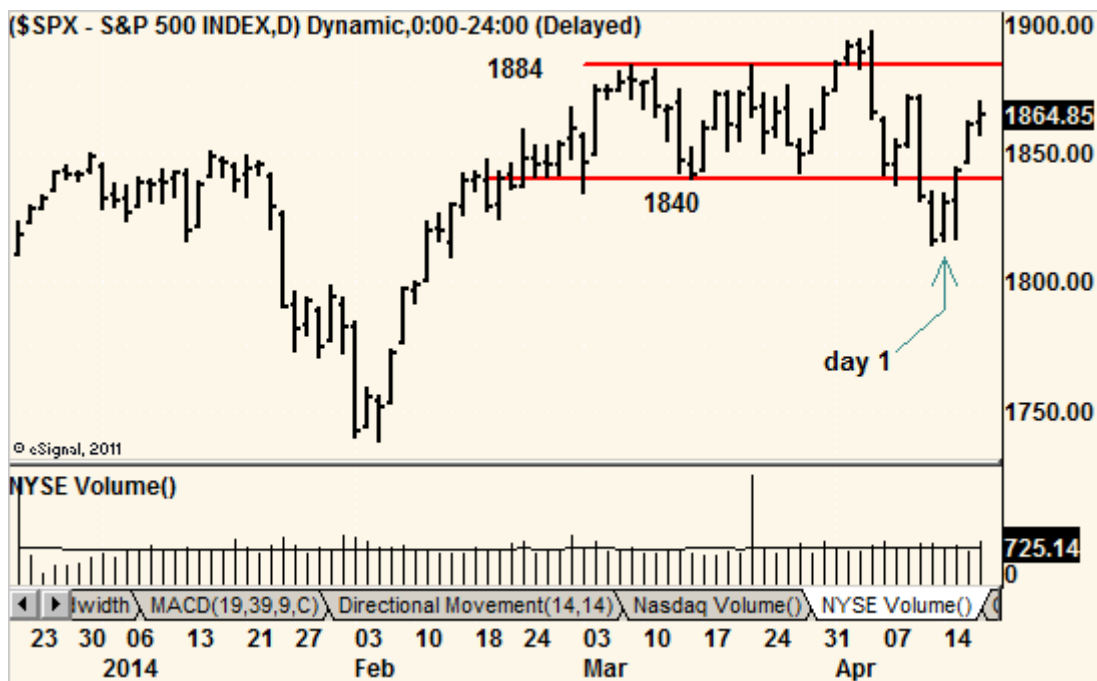
The Dow Theory lovers are drooling over the Industrials possibly getting to new highs and confirming the 10th buy signal in the last eight attempts. What a mangling of a perfectly good theory - selectively focusing on the easy part and ignoring the rest. Please do not obsess over Dow Theory right now.



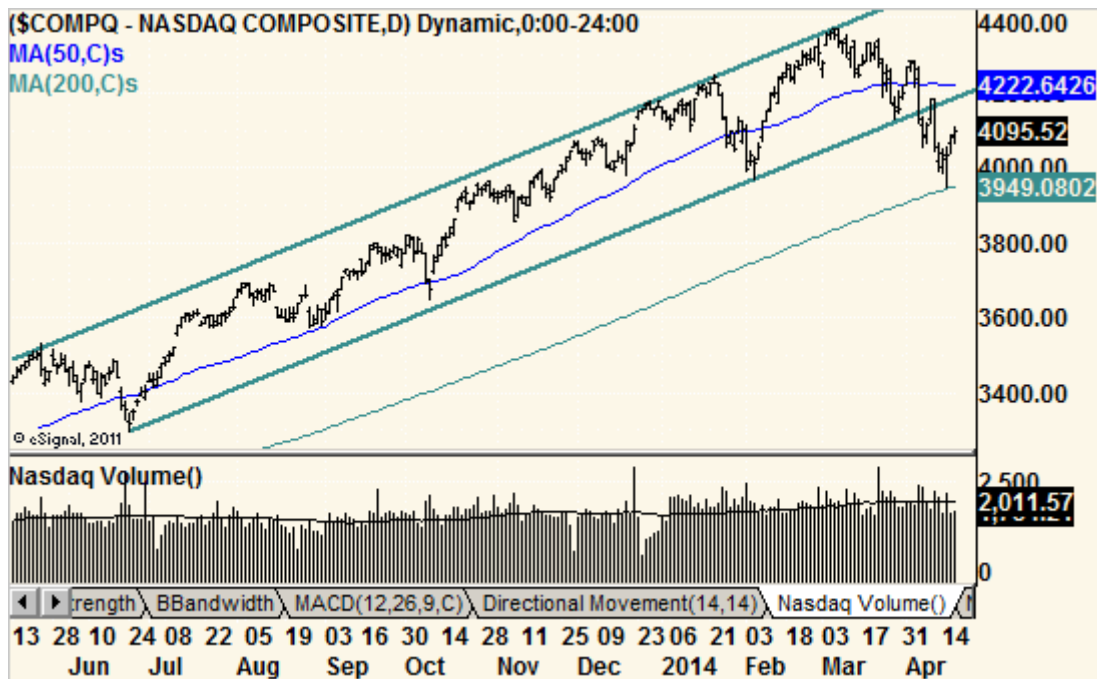
The hourly **SPY** looks as if momentum has stalled. The line drawn was the bottom of the former trading range so clearly that breakdown was negated. But that does not mean it is all bullish. We'll go with the tired rebound theory at this time.

That's it. Not much else to add. The bottom line is caution and even if you do not think the market will sell off it is probably a really good idea to take smaller positions everywhere.

Index Charts of the Day



We saw a discussion in a chat room about Thursday being an O'Neil follow through day (FTD). We strongly disagree. While there was a gain on big volume four days into the rally attempt, the gain itself was rather tiny. And the big gain Wednesday had low volume and was before the window opened (four to seven days into the rally attempt). What may be more significant is the first sighting of the Titanic Syndrome where new 52-week lows beat highs within seven days of an important high. More as it develops but new lows beating new highs so close to a major high is not a good thing..



The Nasdaq bounced off its 200-day average on puny volume.

The Radar Screen

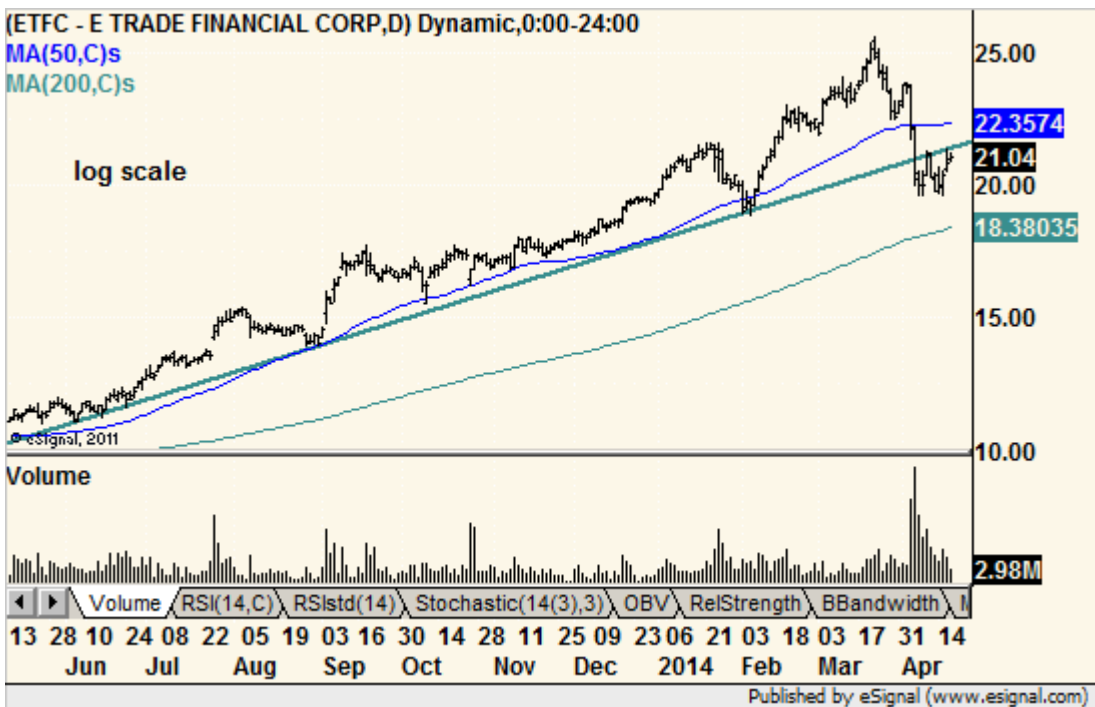
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
none –		
Bearish Implications		
General Electric GE - Waiting for the sell trigger and then it gapped up. Moving on with no harm done	Removed	4/15
Computer Associates CA - This software stock is in decline. We are looking for a rebound to test the trendline, both major averages and resistance at 30.75, where we will sell.		4/15
Goldman Sachs GS - Jumped on earnings (actually revenues) and is now testing its support break. This would be a good place to sell it but we want to be sure the market's bounce is over first. Let's put a higher trigger on it to reduce risk. Sell 162. So, so close.		4/17
Broadcom BRCM - Looking for a bounce to test the breakdown. Sell 340.50 where the 50-day average is. That is also just below broken trendline.	Moved	4/15
Halliburton HAL - We know energy is the place to be but this stock seems to be rising on vapors. On-balance volume fell for most of the 2014 rally and it is now above major highs, unlike peers. Earnings were good but the stock is not at a new high in the premarket. If it closes, lower on the day, we will sell it.	New	4/21
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Nike NKE - Weekly double top in progress. If the bounce stalls at last week's high and then the stock falls, it would set up a big short on the support break.		4/9
Gold ETF GLD - Back on the 200-day average and 50% retracement. Still not ripe at this time.		3/19
Sector Watch (observations that may spark ideas)		
Energy - Resilient and leading		3/31
Utilities - Still looking strong. <u>Concerned over bearish reversal Thursday.</u>		3/31
Natural Gas stocks \$FUM - Leading		4/4
Sectors that rolled over - Drugs, biotech, Internet, Brokers, Software		4/14
Financials - Watching these three area representatives. If they break then the market will be a step closer to a serious breakdown - KBE, AXP, MTG		4/15
Updates		
none -		

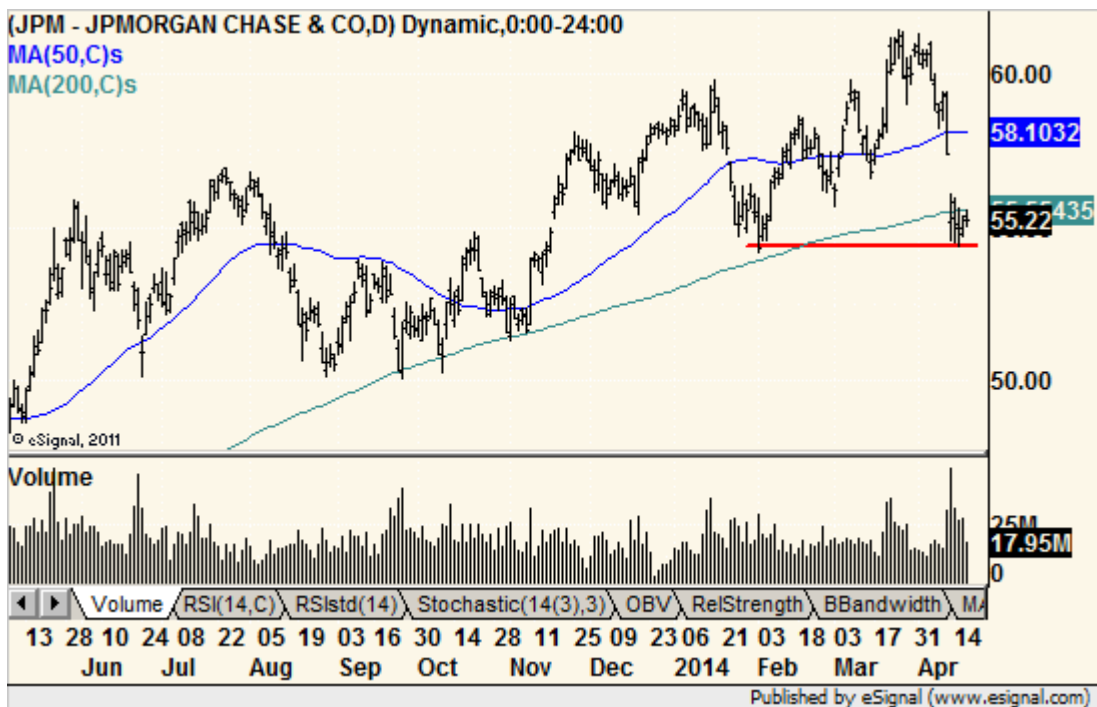
Market Highlights



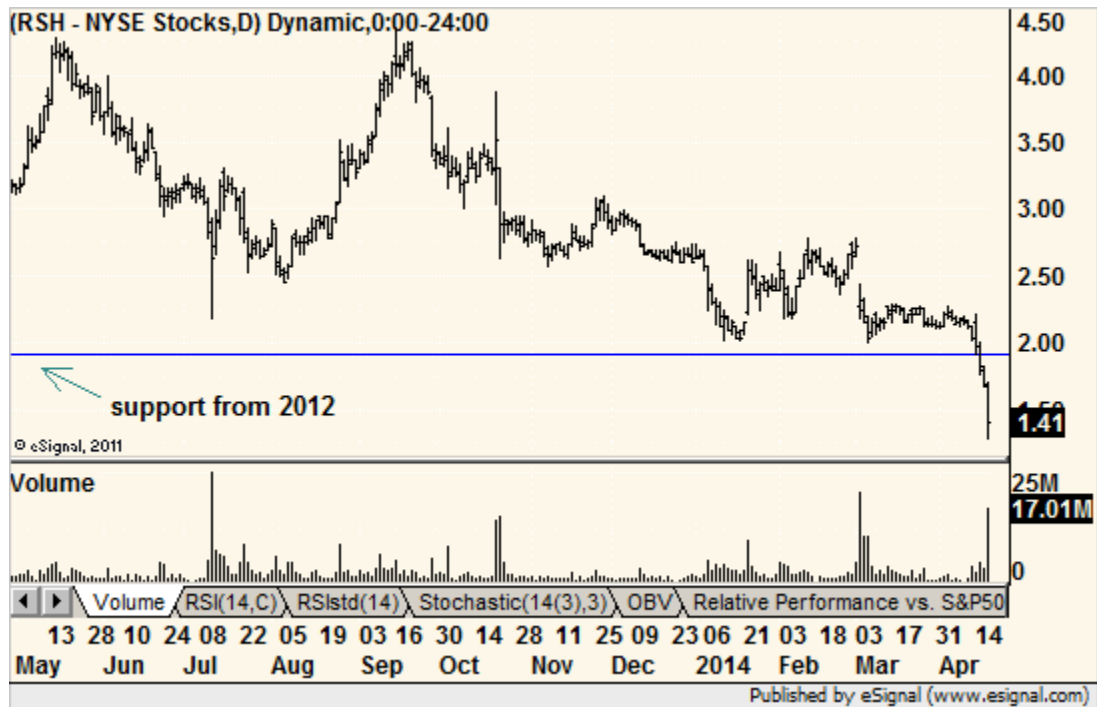
Gold ETF - We have been given a lesson in patience here. The first thought we had was a 61.8% retracement at the 131.2% time extension (April 9 at roughly 121.80). Now we can see it going to the 61.8% and 161.8% in two weeks. In any case, it does not look to be time today to buy it.



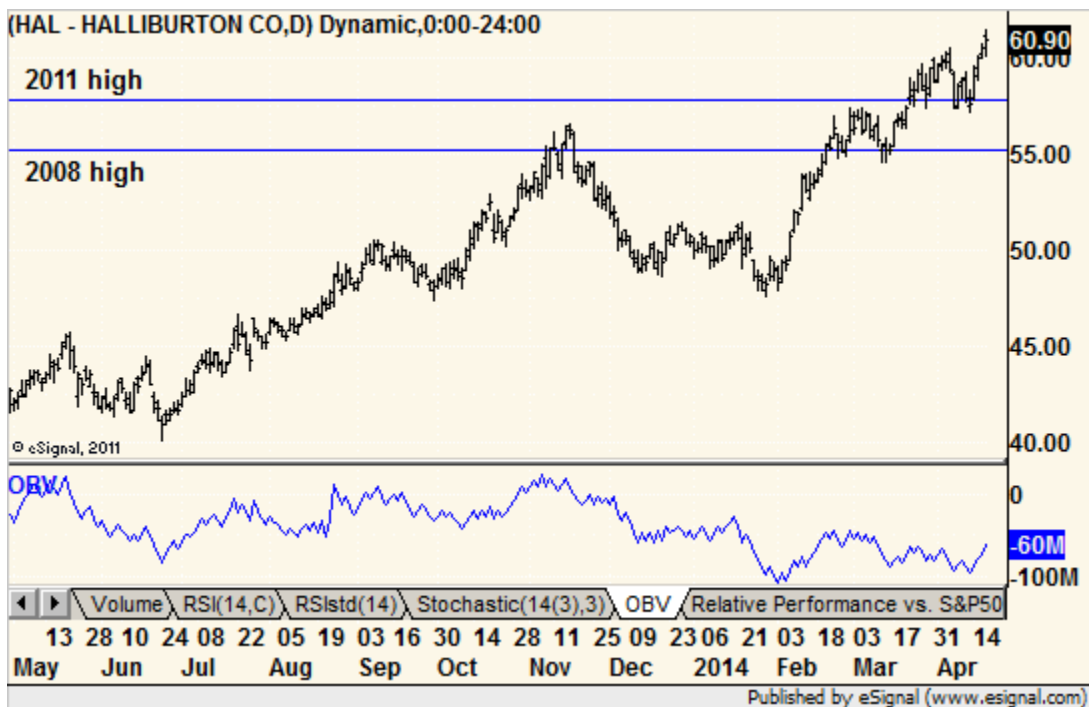
E-Trade - Stocktwits recommends watching this online broker as a sign of investor confidence. It reports earnings this week and if it cannot recover then "it" might be all over (for the market). We already have a few financials on watch where breakdowns could kill the entire sector and market, too.



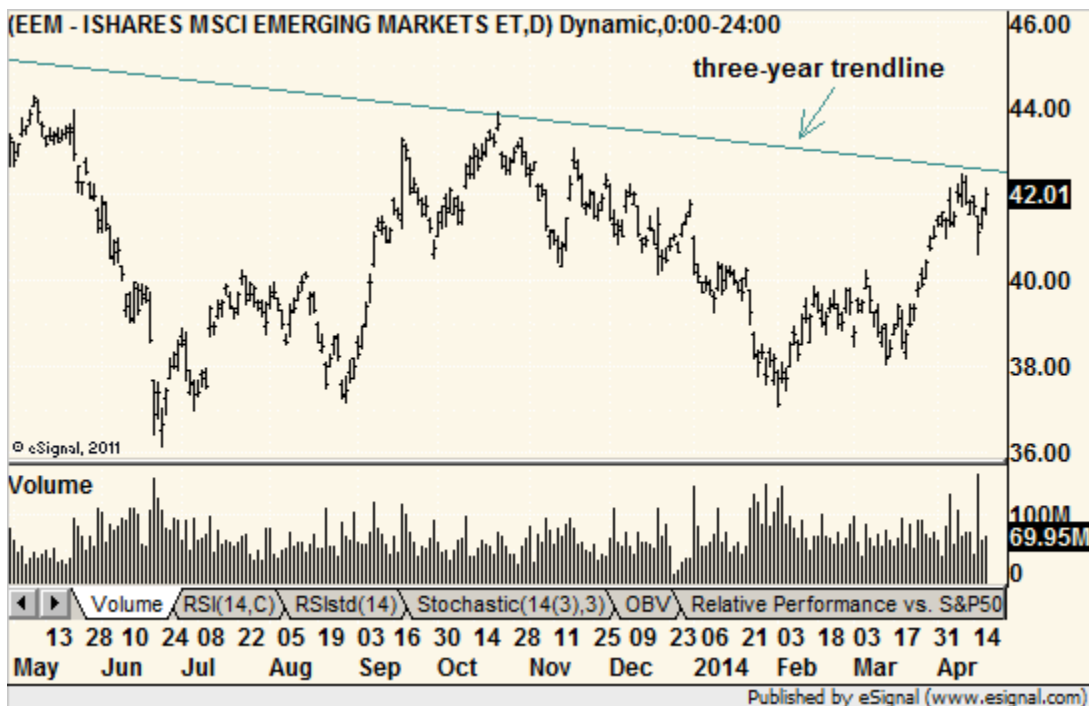
JPMorgan Chase - Breaking this little consolidation zone to the downside will not be a good thing for the stock and the sector.



Radio Shack - Ouch! Technically, this has a chance to be a selling climax as it has that "waterfall off a cliff" appearance.



Halliburton - We know energy is the place to be but this stock seems to be rising on vapors. On-balance volume fell for most of the 2014 rally and it is now above major highs, unlike peers. Earnings were good but the stock is not at a new high in the premarket. If it closes, lower on the day, we will sell it.



Emerging Markets ETF - We were right to say this would pause at the trendline but it is looking rather resilient. Down this morning but still holding close to the line. Just watching for now.

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	8.22	5.0%	sell	7.83	1/23	86
	CORN	TEUCRIUM CORN FUND	34.12	8.1%	34.00	31.57	2/6	72
	HR	HEALTHCARE RLTG TR	24.91	0.0%	24.00	24.91	4/15	4
	ED	CONSOLIDATED EDISON INC	56.50	1.1%	55.50	55.89	4/15	4
<u>Short</u>	JNPR	JUNIPER NETWORKS INC	25.17	0.9%	25.50	25.39	3/11	39
	ACHC	ACADIA HEALTHCARE COMPANY INC	41.39	11.4%	44.00	46.09	3/11	39
	UPS	UNITED PARCEL SERVICE INC	98.00	-2.0%	100.00	96.00	3/21	29
	CVS	CVS CAREMARK CORPORATION	73.74	0.1%	76.00	73.85	4/7	12
	MNST	MONSTER BEVERAGE CORP	67.00	1.5%		68.00	4/9	8
	WYNN	WYNN RESORTS LTD	208.00	-1.0%	212.00	206.00	4/15	4

Notes: Stopped out of **MNST** short as the market rallied last week. Nothing to do differently.

We are going to sell **JTP** as bonds have weakened a bit and we've already captured the April dividend. There is a bearish RSI divergence in place, too.

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

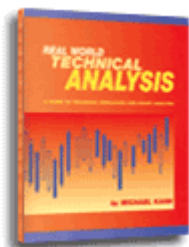
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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