

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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May 29, 2015 – It's the end of the month and if you sold at the beginning and "went away" you missed out on gains. You also missed out on what is a few hours away from four out of five weeks with sizeable drawdowns. In other words, there were four weekly bars with long lower tails (shadows, in candle lingo).

The phrase should be "Don't sell in May but you should look away."

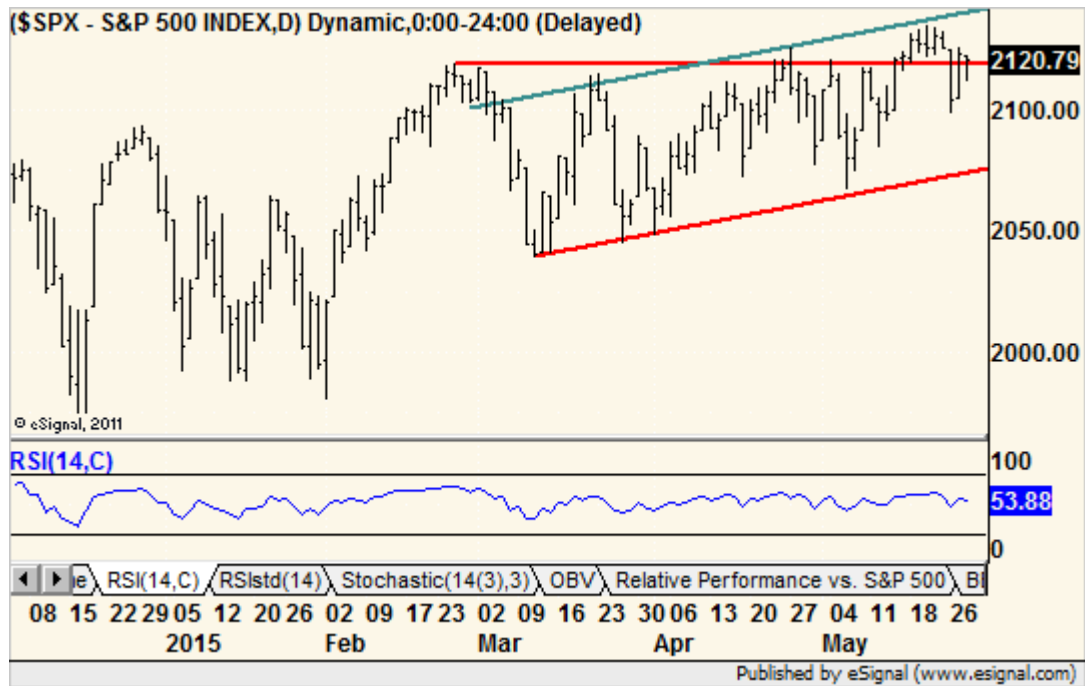
The usual suspects kept a lid on things – Fed raising rates and Greece. What else is new? The answer is really nothing.



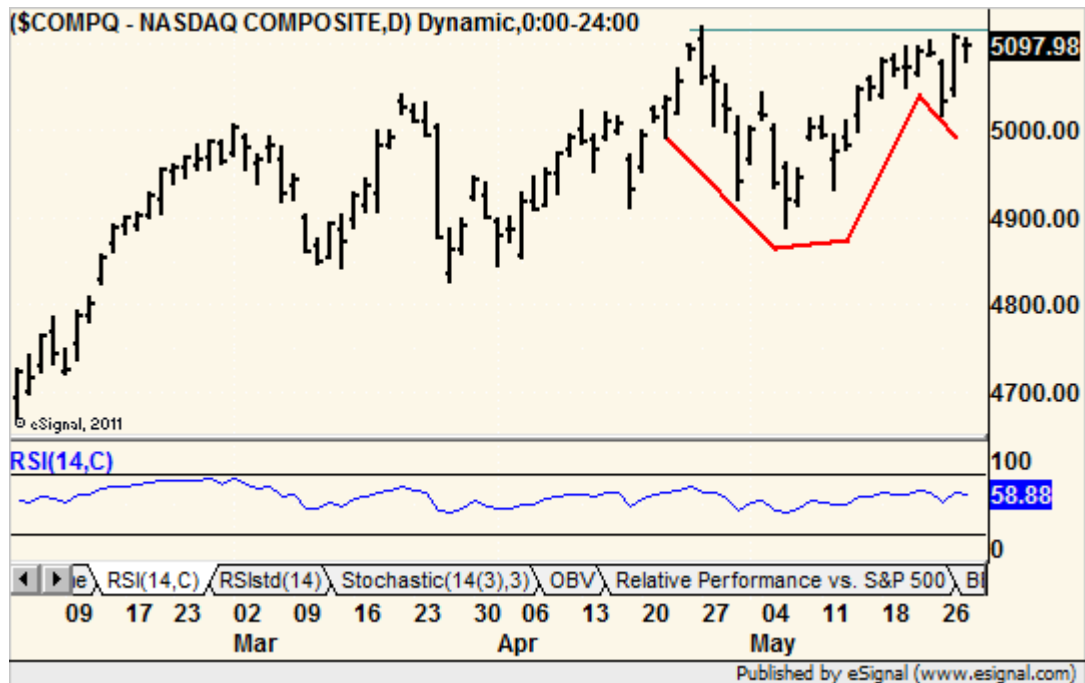
This is a 2-hour bar of the **SPY** and it shows supports. More importantly, there is still an upward bias with a parallel trend channel. The daily chart also shows a sloppy yet still-rising trend. It's not great but it is not a bear trend, either.

Otherwise, things are rather quiet in all markets. No need to rush into anything today.

Index Charts of the Day



This daily view reinforces the 2-hour bar above. The green line may be a better upper border to use instead of the flat red line. But in any case this is not much of a trend.



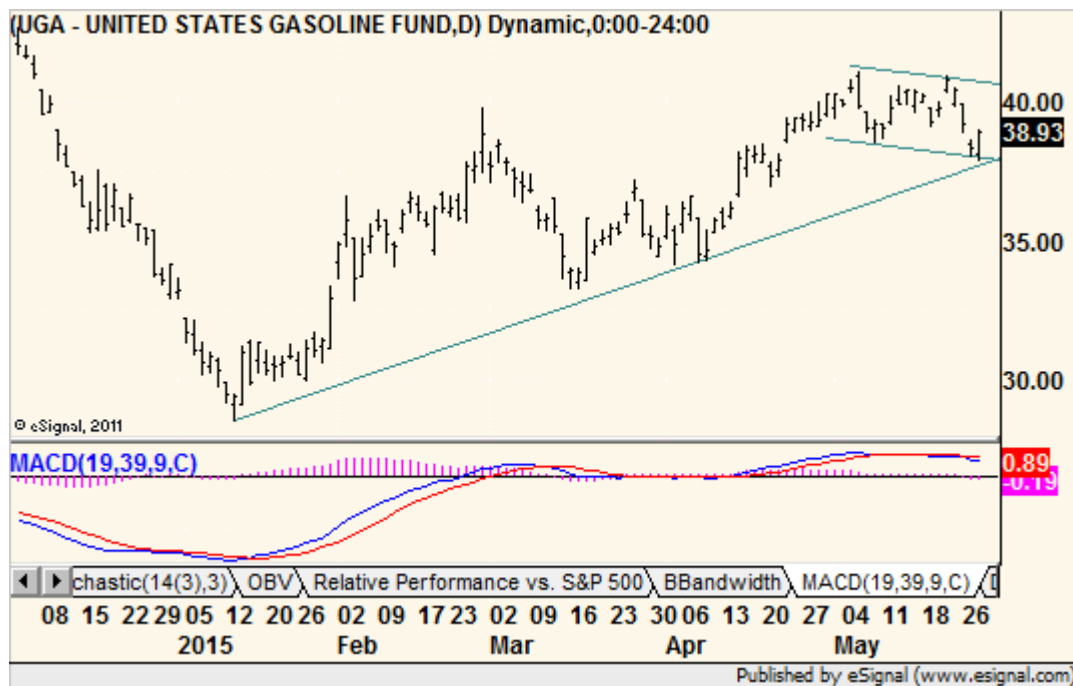
The Nasdaq scored a tiny inside-day and that is not bullish. However, the cup-with-handle-like pattern is a bit better. It all depends on resistance, now.

The Radar Screen

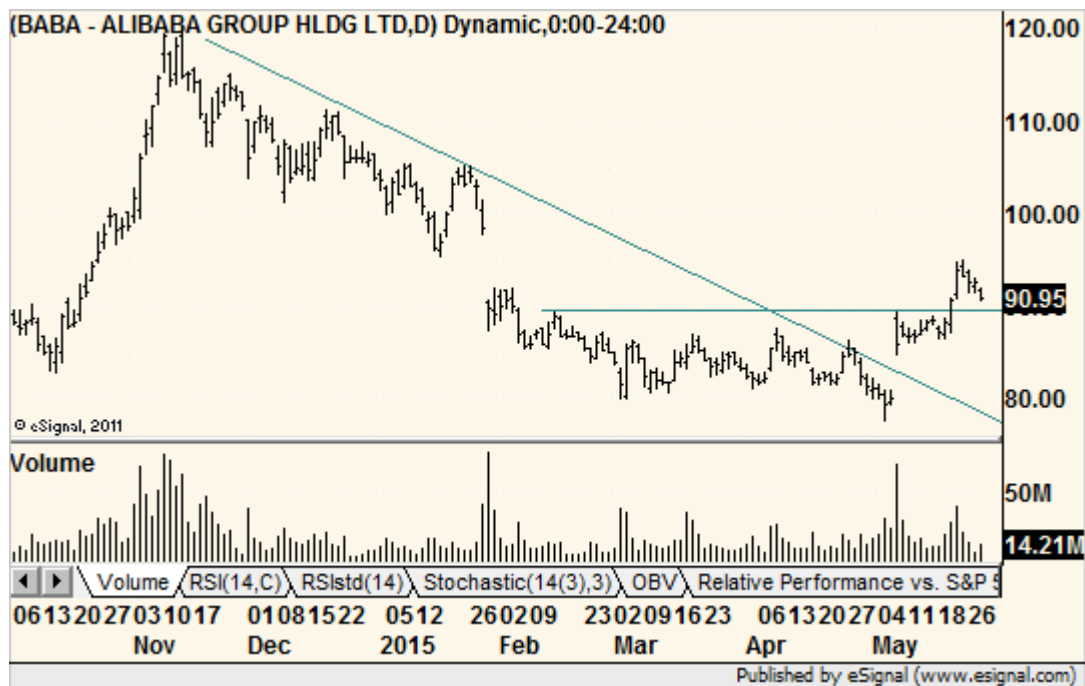
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
Parsley Energy PE – An explorer/producer challenging resistance. Buy close over 18.10. <u>Nasty Thursday. Moving on with no harm done.</u>	Removed	5/18
IBM – Now setting up for a fresh breakout. I wrote this up for a website. Buy 173 target 180 and then 194.		5/21
General Motors GM – After rejecting a merger proposal from Fiat Chrysler, GM is challenging a down trend line. Breakout. Time to buy.	Triggered	5/26
Xilinx XLNX – I wrote this up for a website last week. A nice pause at resistance and then a breakout. Looks good	Triggered	5/28
Alibaba BABA – This looks like a pullback after a breakout. Rather bullish. We'll bite.	New	5/29
Medivation – A biotech with a rising trend, flag breakout a small pause. Looks good right here.	New	5/29
Bearish Implications		
JB Hunt JBHT – A trucker as a sell-the-bounce candidate. It may not get there but we want 86.50.		5/26
Allstate ALL – Sitting on 200-day average in a bear-flag-like configuration. Sell breakdown below 67.30.	Moved	5/20
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Hershey HSY – Cocoa prices are zooming and Hershey looks terrible. <u>No clear pattern to follow other than the trend.</u>	Removed	5/22
eBay EBAY – Looking strong. Challenging both long- and short-term resistance. <u>Arguable breakout.</u>		5/26
KLA Tencor KLAC – We'd like to say this one is next but on-balance volume is flat and it is trading between its major averages. But price rules. Keep an eye on it		5/28
Seaworld SEAS – Looks ready. Coming out of a base and a "handle."		5/28
Yum Brands YUM – Restaurant with bearish RSI divergence. Not a sell signal just yet but it is a warning.	New	5/29
Sector Watch (observations that may spark ideas)		
Oil services – Still holding a base breakout.		5/6
Retail ETF XRT – now testing <u>50-day average</u> . Especially weak is apparel.		5/11
REIT ETF IYR – On the edge of a cliff. ST support, LT trendline		5/27
Updates		
China – Ended the day and week with a doji candle. Still a sign of weakness.		
GoPro GPRO – We said it looked like a bottom but did not set a buy trigger. Should have.		

Market Highlights



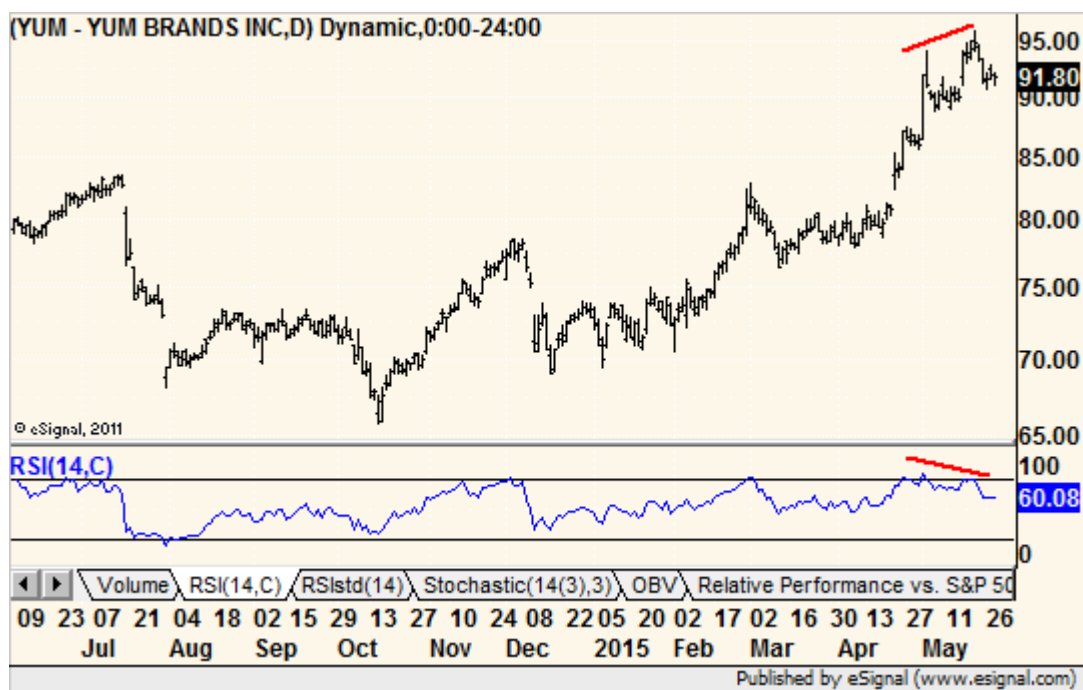
Gasoline ETF – Bull flag on a rising trendline. MACD is positive so the trend remains healthy, believe it or not.



Alibaba – This looks like a pullback after a breakout. Rather bullish. We'll bite.



Medivation – A biotech with a rising trend, flag breakout a small pause. Looks good right here.



Yum Brands – Restaurant with bearish RSI divergence. Not a sell signal just yet but it is a warning.

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>	ABB	ABB LTD	21.98	0.8%	21.25	21.80	4/14	44
	XOM	EXXON MOBIL CORP	85.11	-1.8%	85.00	86.63	4/14	44
	KOP	KOPPERS HOLDINGS INC	25.25	11.5%		22.64	4/22	36
	PSX	PHILLIPS 66	79.56	-2.2%	77.25	81.38	4/24	34
	VZ	VERIZON COMMUNICATIONS	49.54	-0.9%	48.00	50.00	4/27	31
	ORCL	ORACLE CORP	43.86	1.0%	42.25	43.44	5/1	27
	COF	CAPITAL ONE FINL CORP	84.30	1.8%	82.00	82.80	5/6	22
	KEY	KEYCORP NEW	14.86	0.7%	14.25	14.75	5/11	17
	KBE	SPDR S&P BANK ETF	35.16	1.7%	33.50	34.58	5/11	17
	GT	GOODYEAR TIRE & RUBR CO	32.03	5.4%	31.00	30.38	5/13	15
	PCAR	PACCAR INC	65.17	-1.4%	64.00	66.08	5/13	15
	FB	FACEBOOK INC	80.15	1.5%	78.50	78.94	5/14	14
	UPS	UNITED PARCEL SERVICE INC	99.87	-2.1%	99.00	102.03	5/15	13
	GM	GENERAL MTRS CO	36.39	0.8%	34.75	36.11	5/28	0
	XLNX	XILINX INC	47.80	0.3%	45.75	47.68	5/28	0
<u>Short</u>	WSM	WILLIAMS SONOMA INC	79.00	-3.2%	79.00	76.51	4/17	41
	XRT	SPDR S&P RETAIL ETF	98.74	-1.5%	100.00	97.23	5/6	22
	DG	DOLLAR GEN CORP NEW	73.11	1.8%	76.50	74.40	5/7	21
	FLS	FLOWSERVE CORP	55.50	-0.2%	59.00	55.40	5/12	16

Notes: Stopped out of a long and short. It was unfortunate on **KOP** as it ended with an outside-day reversal to the upside. If you did not stop out then good.

On **WSM**, we probably should have covered it sooner as the stock has actually been in a short-term rally.

Two new longs at the open – **GM** and **XLNX**. Too bad we did not set a trigger on the **GPRO** chart we showed yesterday as it broke out without us. If you bought, good again.

Other Information

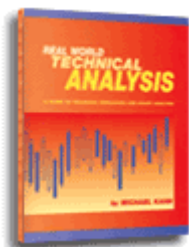
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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