

# QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

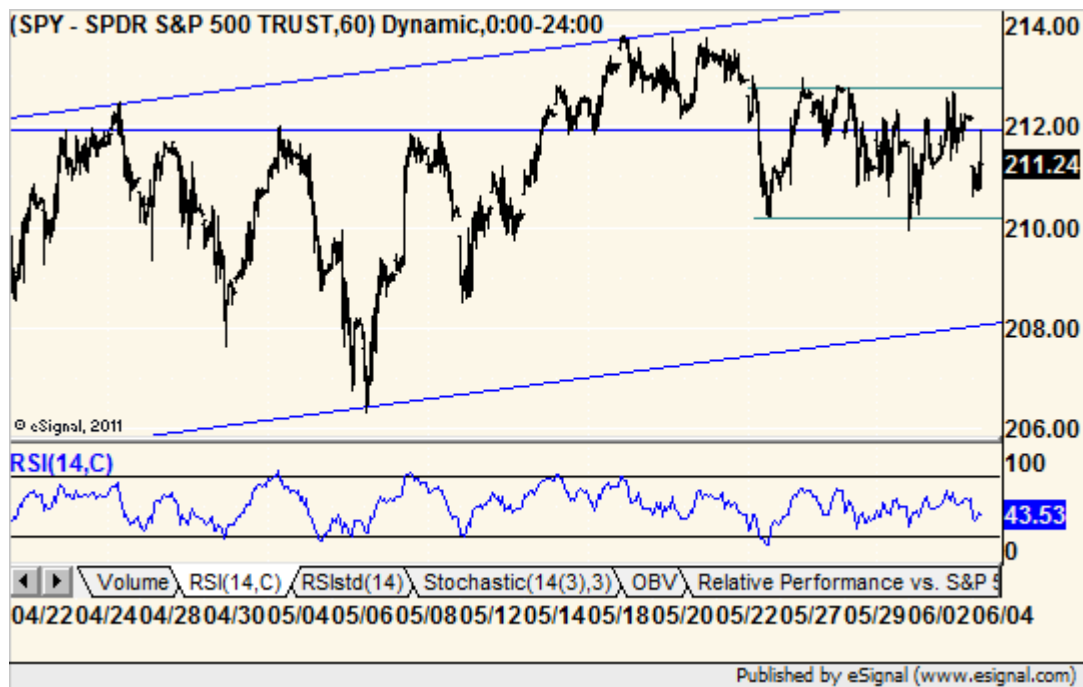
MICHAEL KAHN  
RESEARCH LLC

**June 4, 2015** – Yesterday, we voiced frustration with the market and its lack of movement. We also said that it was not a dull market not to be sold. Flat is not necessarily dull and we have a quote from CrackedMarket saying that the bulls and bears are pulling very hard on one another. Not dull. Just not making progress.

And then there are coffee spitting moves in China, the euro, Treasury bonds, German bonds (charts below). All this and Greece rejected a deal proposal from its creditors.

Dull? These markets are anything but dull. Yet the risk levels are getting to high for our liking – in both directions. Better to lighten up and live to trade another day.

Yesterday, I wrote up the bond market for Barron's Online with likely no surprises for readers here. What I did not cover was the sharp drop in utilities, the forewarned breakdown in REITs and arguable support break in the Global X super dividend ETF. All of these argue for higher interest rates on the way.

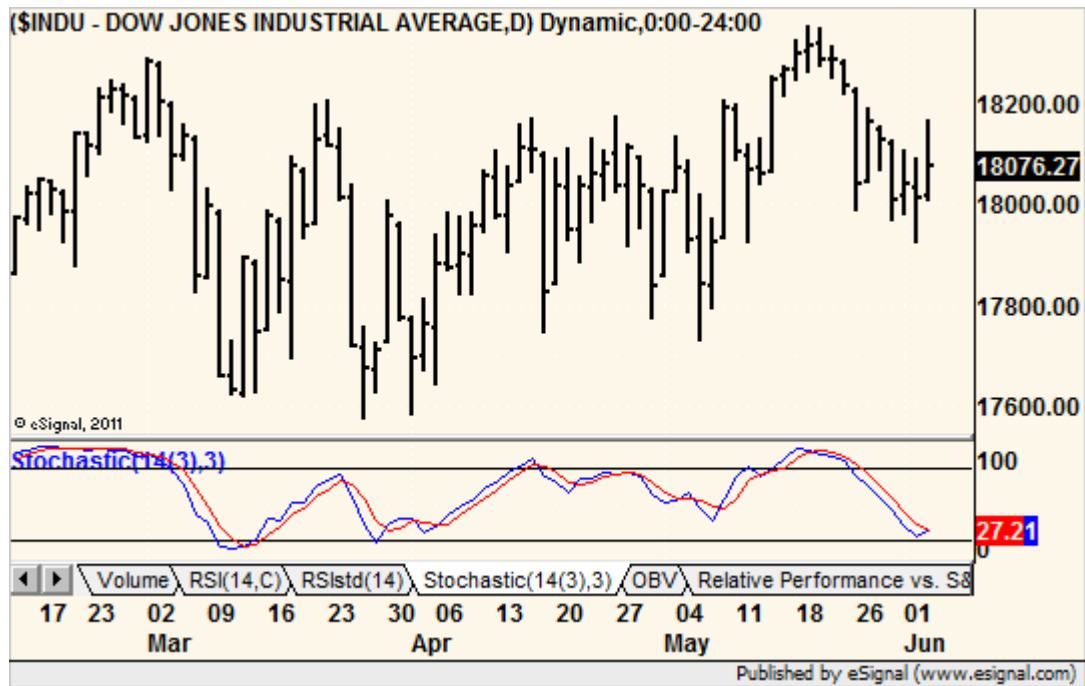


Still no trends here in the hourly chart. However, note the movement within the sideways range. Wheels spinning.

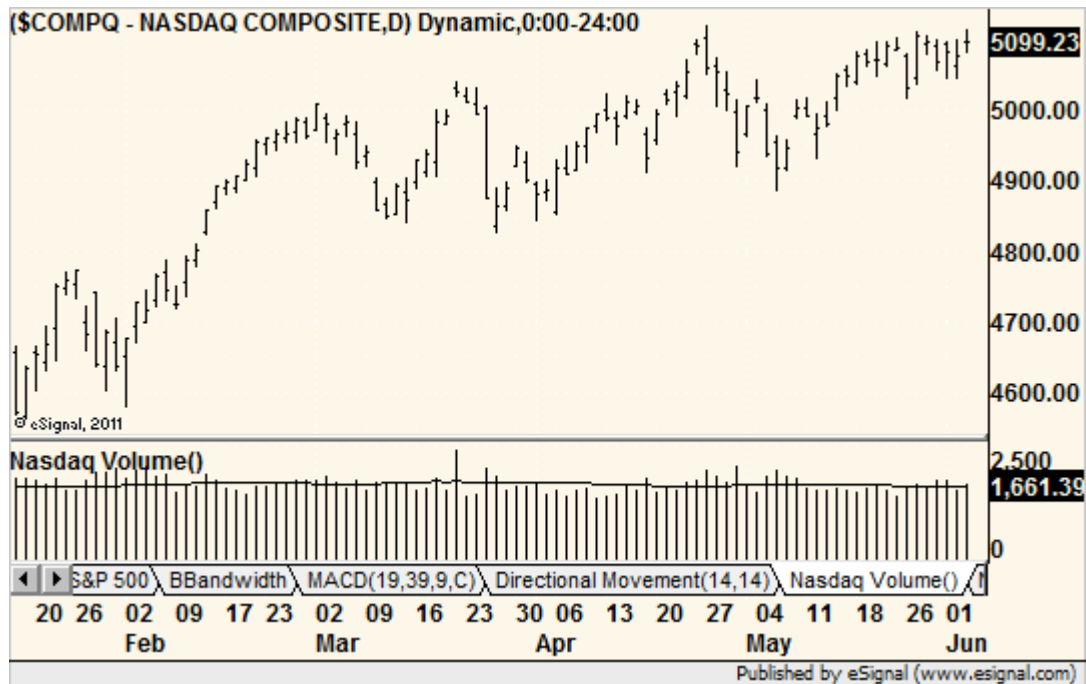
Surprisingly, retail was a top sector yesterday and that makes us question our dislike for it. Check out Target below. We were stopped out of our two shorts in the sector.

And banks got back on their rally horses. Seems to be the only sector that has a nice chart.

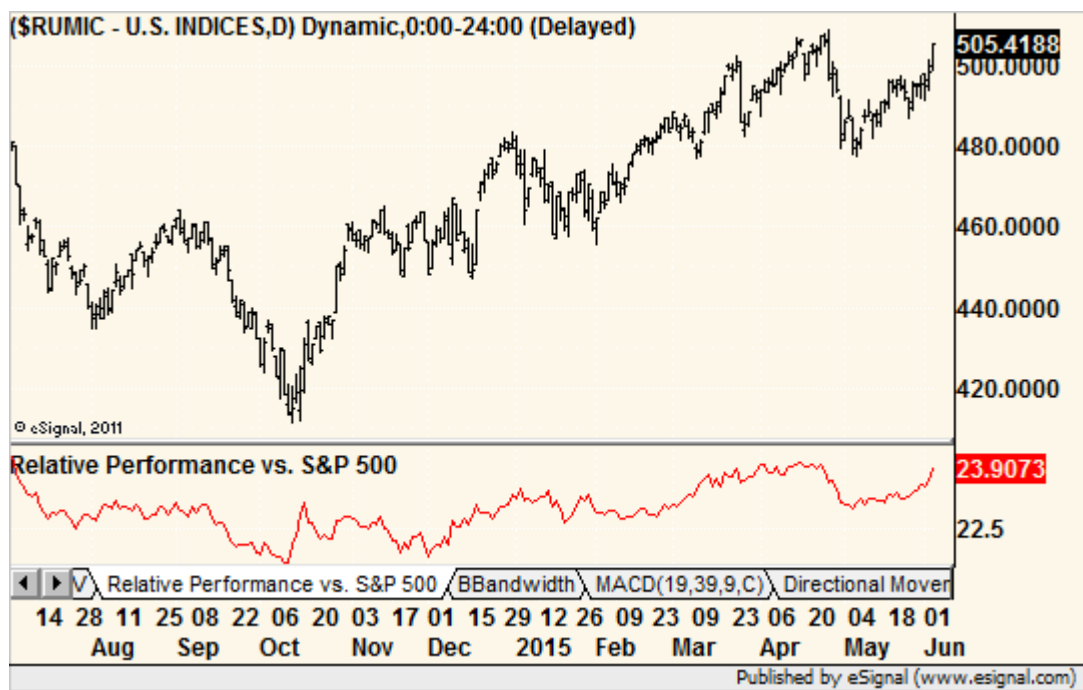
## Index Charts of the Day



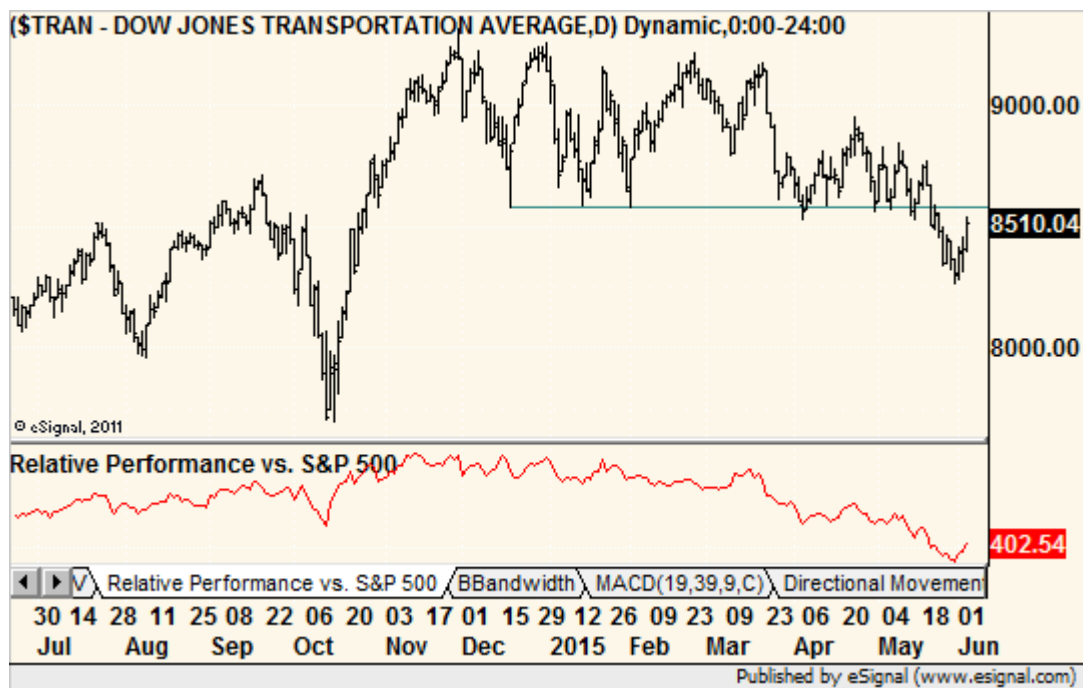
Here is the Dow for a change. Wiggle, wiggle.



Nasdaq still holding on.



Microcaps big gain. Too much speculation?



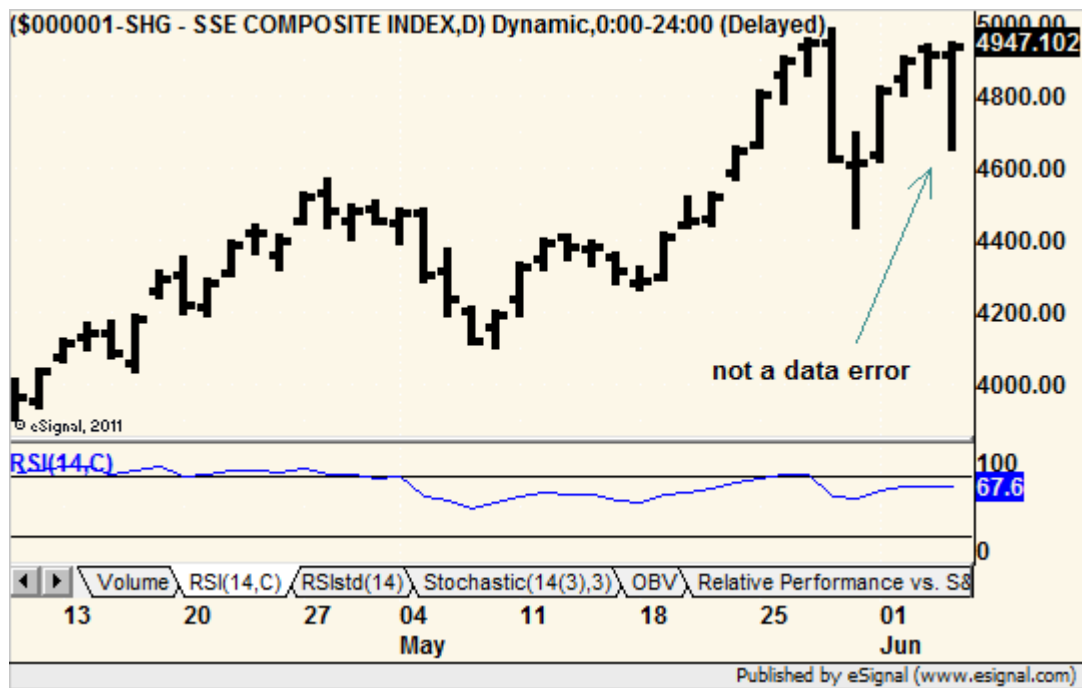
Transports testing breakdown.

## The Radar Screen

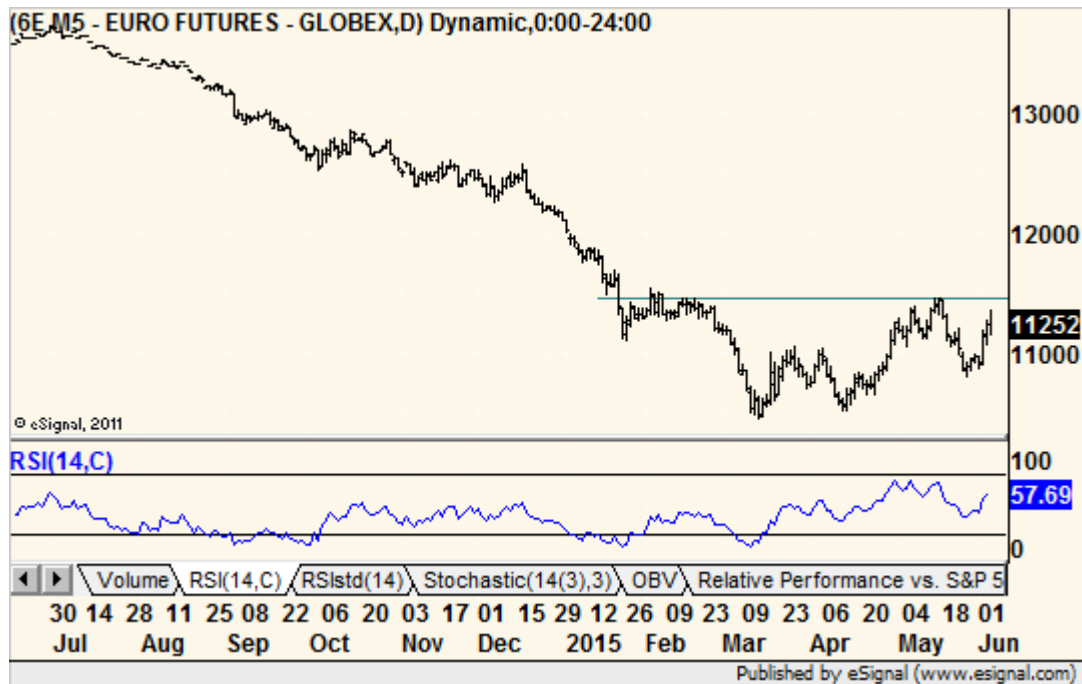
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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.

<b>Bullish Implications</b>		
<b>IBM</b> –Now setting up for a fresh breakout. I wrote this up for a website. Buy 173 target 180 and then 194.		5/21
<b>Schlumberger SLB</b> – Yes, an oil services stock. Base breakout and flag consolidation. Buy the next breakout at 92.50	<b>New</b>	6/4
<b>Bearish Implications</b>		
<b>none</b> –		
<b>Unknown Implications</b>		
<b>none</b> –		
<b>Holding Tank</b> - red shade leans bearish, green shade leans bullish		
<b>KLA Tencor KLAC</b> – 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
<b>Yum Brands YUM</b> – Restaurant with bearish RSI divergence. Not a sell signal just yet but it is a warning.		5/29
<b>Long-term setups – LGF, SFUN, AGU, MOO</b>		6/3
<b>Sector Watch</b> (observations that may spark ideas)		
<b>Oil services</b> – Still holding a base breakout.		5/6
<b>REIT ETF IYR</b> – On the edge of a cliff. ST support, LT trendline. <b>Broken</b>		5/27
<b>Updates</b>		
<b>none</b> –		

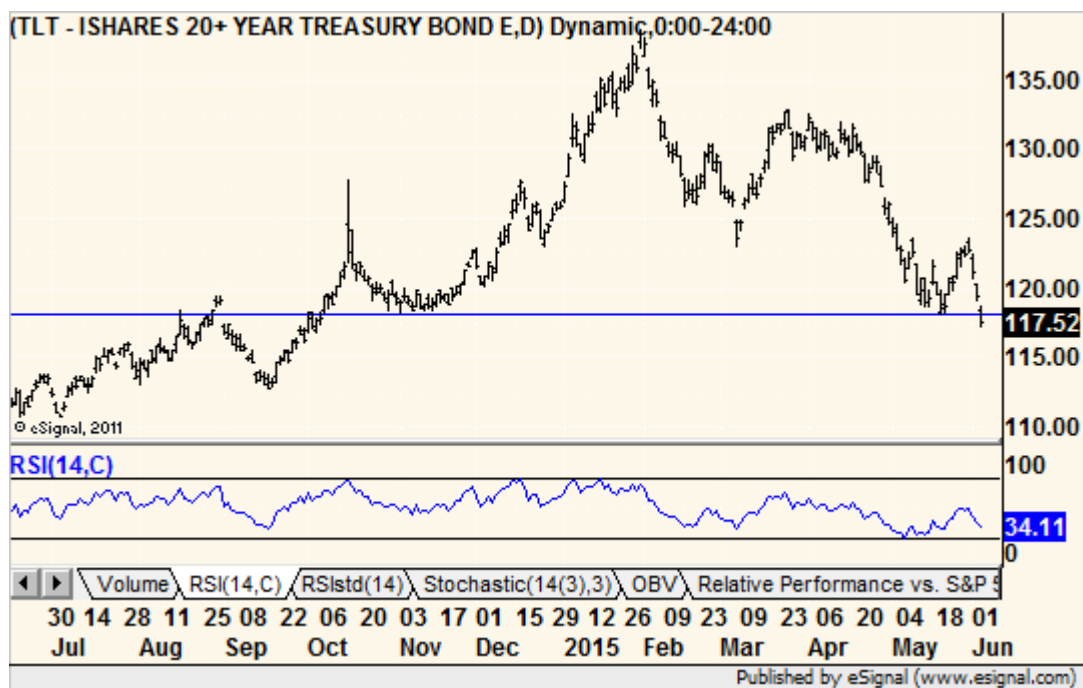
## Market Highlights



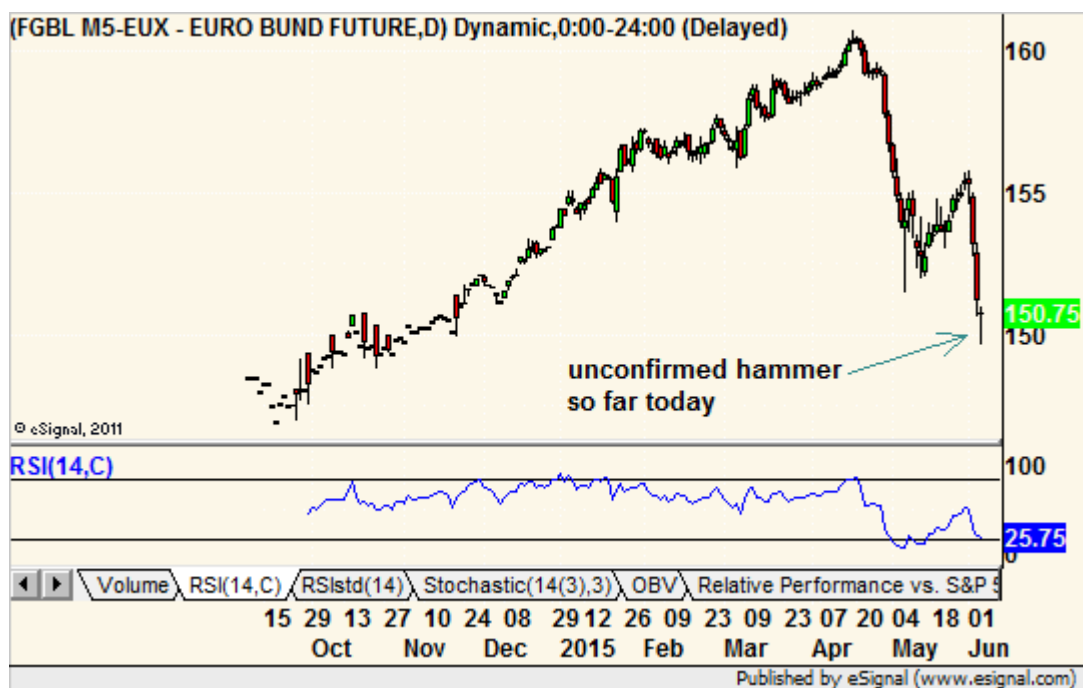
**China (Shanghai)** – Did someone say volatility?



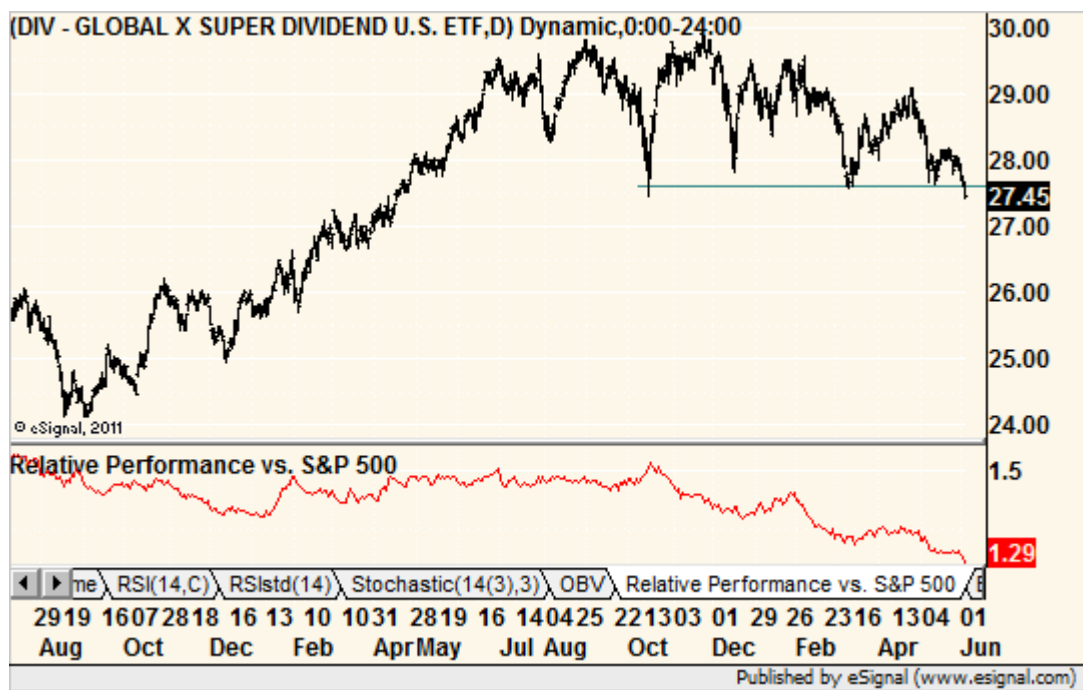
**Euro** – Possible head-and-shoulders bottom. This, as they flood the market with stimulus.



**T-bond ETF** – Support break.



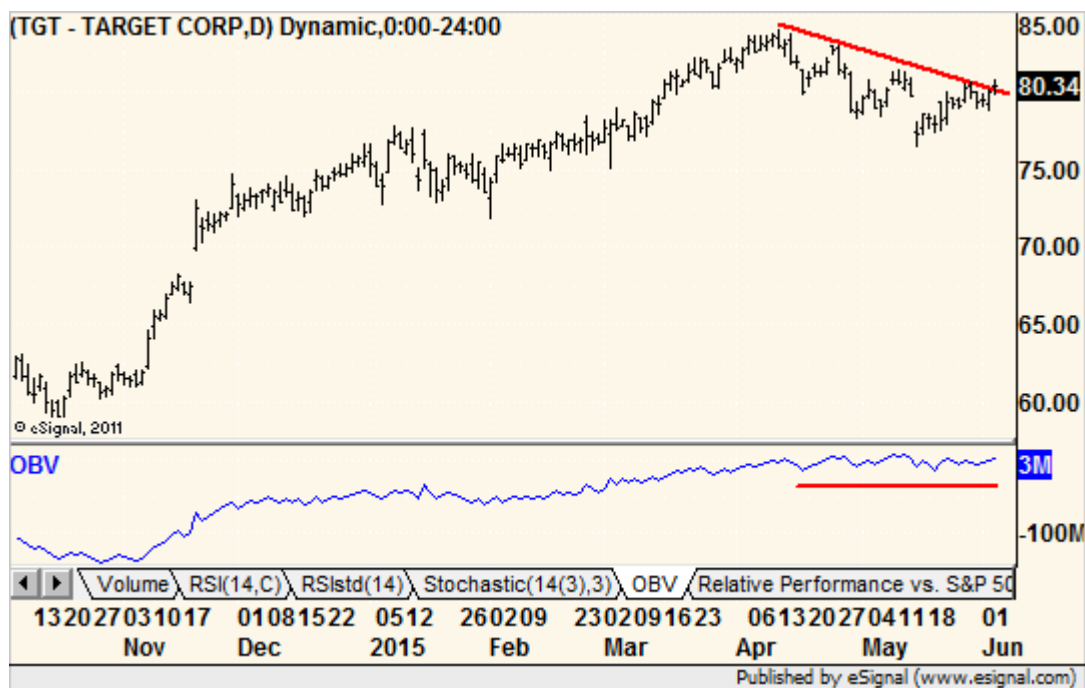
**German Bunds** – This is a stunning fall off a pedestal (or bubble popping). Today’s candle may end up being a hammer, which suggests a bounce coming, but this trend is down.



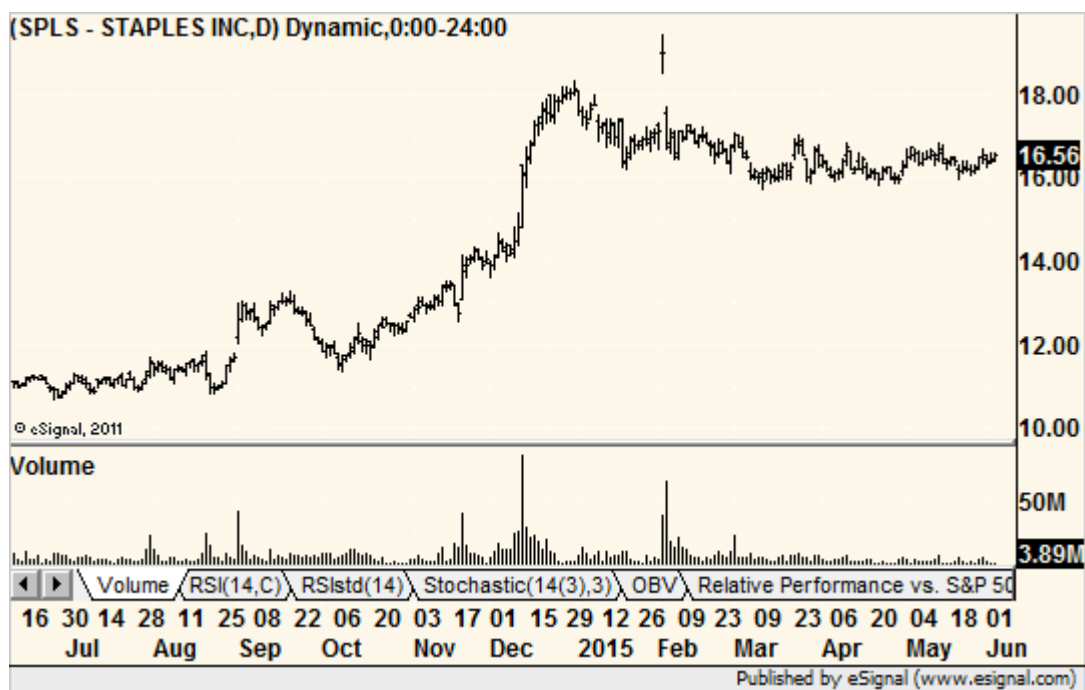
**Global Dividend ETF** – Breakdown. Lightly traded but still an indication of where interest rates are heading.



**Greece ETF** – Poised for a breakout. It better be strong before we would even think about it.

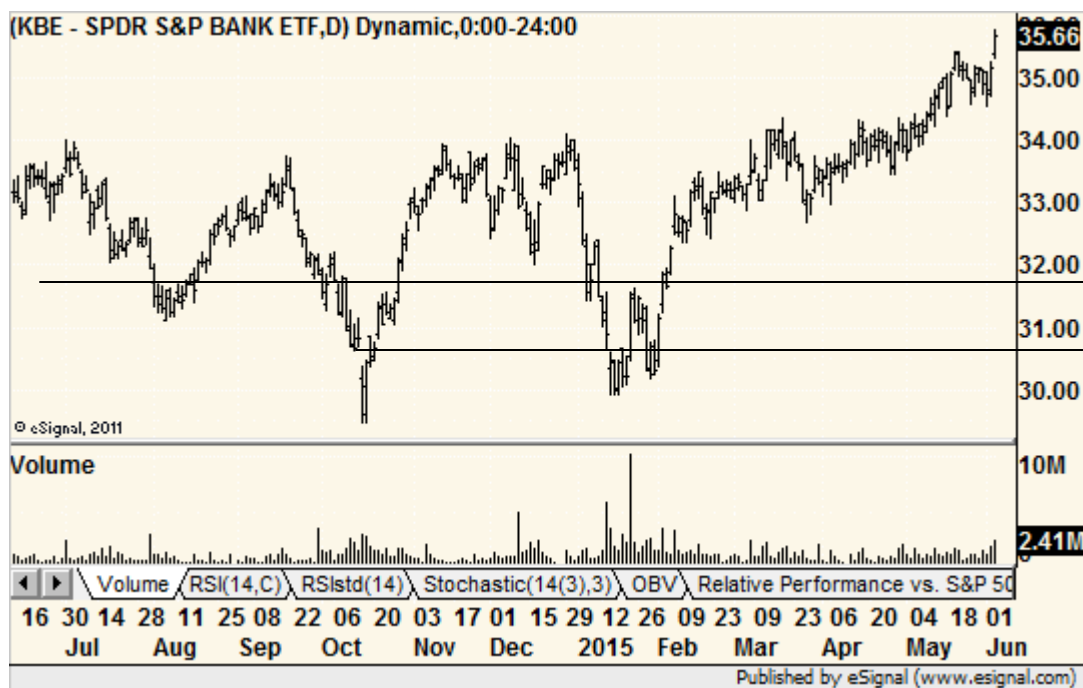


**Target** – No money flowed out as it pulled back. It may have broken out yesterday.

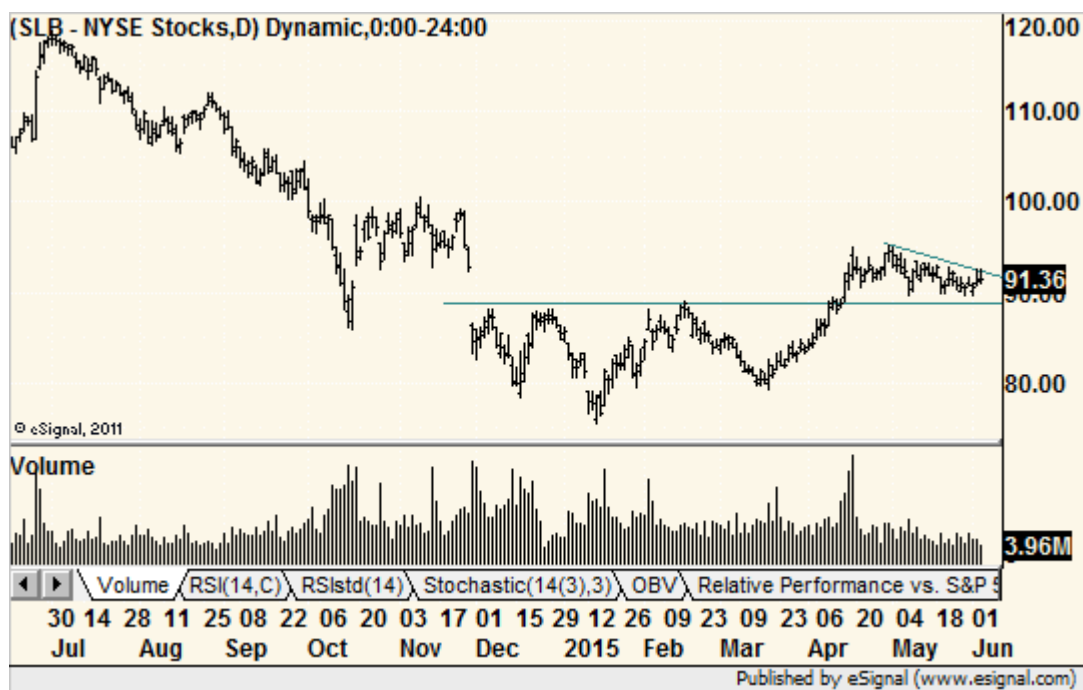


**Staples** – And you thought the market was flat. Something big is coming but what?





**Banks ETF – Back in gear. Whew!**



**Schlumberger – Yes, an oil services stock. Buy the breakout at 92.50**

## 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>	<b>XOM</b>	EXXON MOBIL CORP	85.00	-1.9%	85.00	86.63	4/14	50
	<b>PSX</b>	PHILLIPS 66	78.30	-3.8%	77.25	81.38	4/24	40
	<b>COF</b>	CAPITAL ONE FINL CORP	84.30	1.8%	82.00	82.80	5/6	28
	<b>KEY</b>	KEYCORP NEW	14.84	0.6%	14.25	14.75	5/11	23
	<b>KBE</b>	SPDR S&P BANK ETF	35.66	3.1%	34.00	34.58	5/11	23
	<b>GT</b>	GOODYEAR TIRE & RUBR	32.09	5.6%	sell	30.38	5/13	21
	<b>FB</b>	FACEBOOK INC	82.44	4.4%	78.50	78.94	5/14	20
	<b>GM</b>	GENERAL MTRS CO	35.94	-0.5%	34.75	36.11	5/28	6
	<b>XLNX</b>	XILINX INC	47.37	-0.7%	45.75	47.68	5/28	6
	<b>BABA</b>	ALIBABA GROUP HLDG LTD	90.79	-0.6%	86.00	91.35	5/29	5
<u>Short</u>	<b>XRT</b>	SPDR S&P RETAIL ETF	100.00	-2.8%	100.00	97.23	5/6	28
	<b>DG</b>	DOLLAR GEN CORP NEW	76.00	-2.1%	76.00	74.40	5/7	27
	<b>FLS</b>	FLOWERVE CORP	55.60	-0.4%	57.50	55.40	5/12	22
	<b>ALL</b>	ALLSTATE CORP	67.72	-0.6%	69.50	67.30	6/1	2

**Notes:** The market is doing for us what we have been to slow in doing for ourselves – getting out of the market.

Stopped out of **XOM** (barely)

We are going to take profits on **GT** as it looks to be stalled.

Stopped out of our retail shorts.

We were stopped out of **UPS** Tuesday and yesterday it soared. @#\$\$%^

## 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

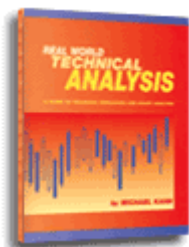
**About** - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen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



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