

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

MICHAEL KAHN
RESEARCH LLC

June 12, 2015 – So it's Greece again this morning? Yawn. That's why stocks are soft, say the media. Well, you know what we think. Not.

The market is in that limbo period before the follow-through day window opens and nothing that happens now, except for a big sell-off, matters. Stocks are up big over the past two days softness on day three is far from a surprise and is in no need of newsy explanation.

What might need one is the leadership yesterday in consumer electronics. The big winner was Harmon Intl (**HAR**) but it was joined by several others – all of which are based overseas. We have no explanation for that but HAR is now a candidate to sell on the bounce following its April smash down.

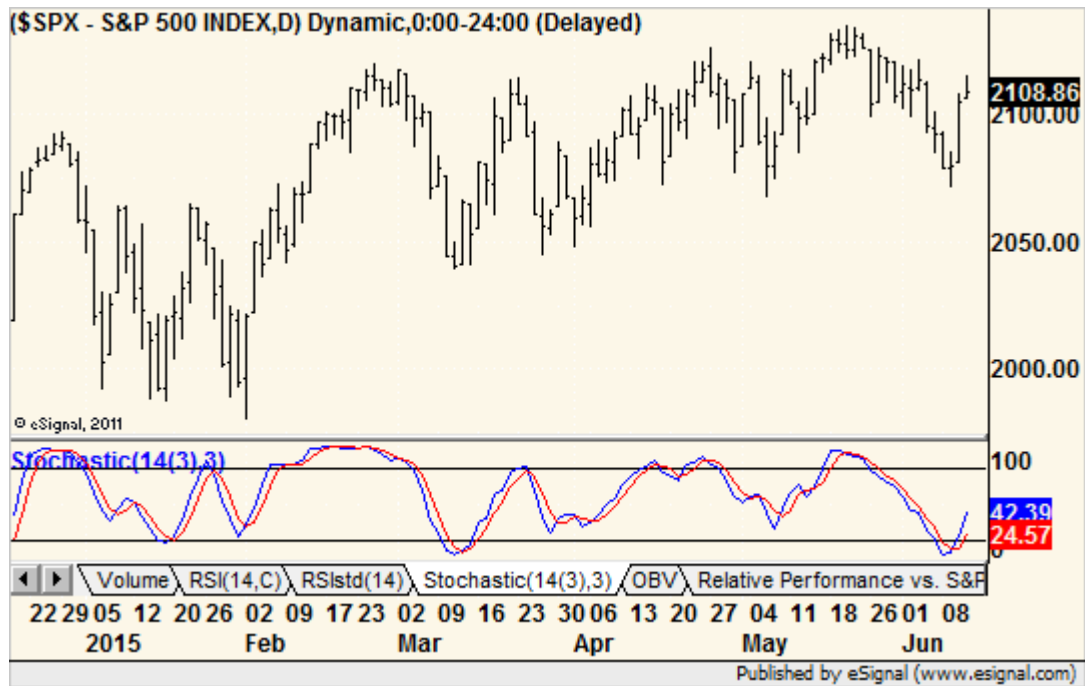
On the bottom were coal, aluminum, energy and copper. Basic resources. We do not see this as being good for the economy although one day does not make a trend. But a year does and all of them have been falling for quite some time. Was this a ghost recovery? We cannot answer that nor should we try. To the charts!



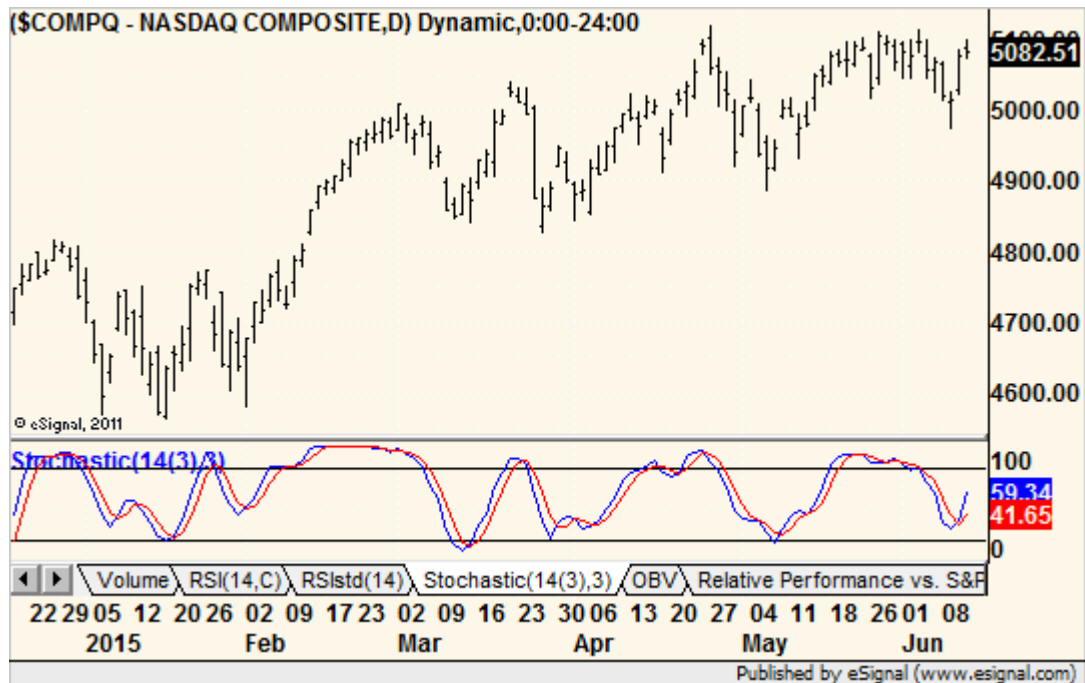
Look where the hourly chart ran out of juice. That is a wow moment for chart geeks as we could not have hoped for a better technical event. We cannot say that it will be all downhill from here but the odds do favor the bears right now. If you got a gift in the market this week, consider taking it.

Only two stocks charted below – **NFLX** and **MSFT**. The former hit a resistance zone. The latter, despite our uneasy market feelings, is close to a buy.

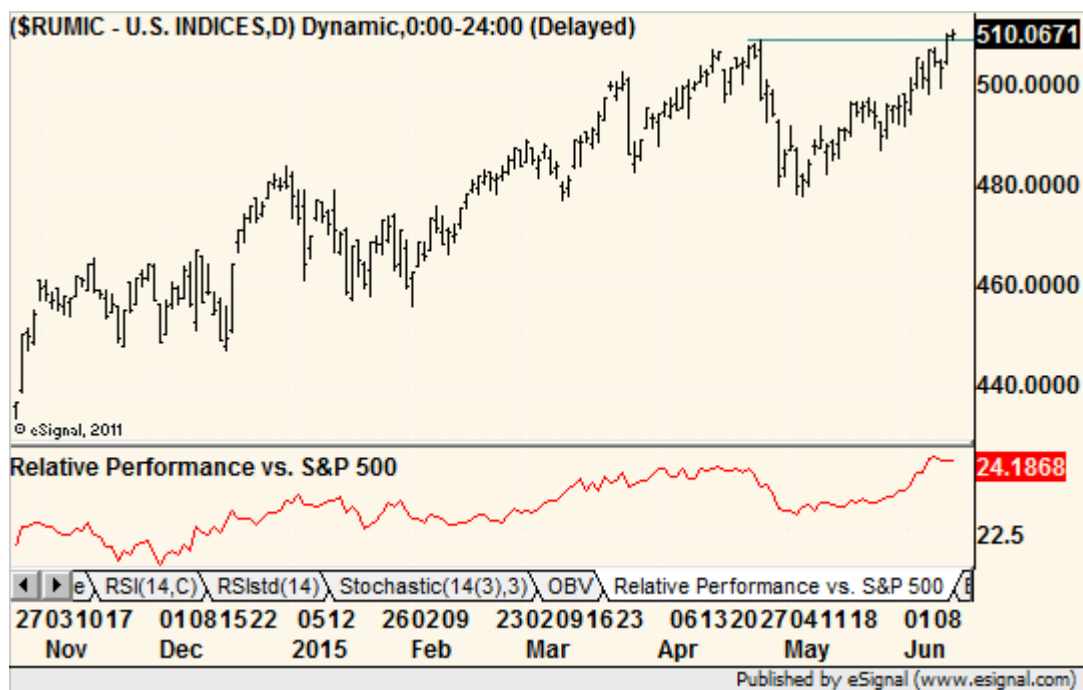
Index Charts of the Day



We've left the lines off the chart today. What do you see? It is more of a jumble than anything but one thing it is not is a breakout. We can see a rounded top in progress (bearish) if we are forced to make a call.



The Nasdaq is a mess, too, but it still holds a more bullish tilt than the S&P 500. There is no breakout here, either, but it does keep us from becoming growling bears.



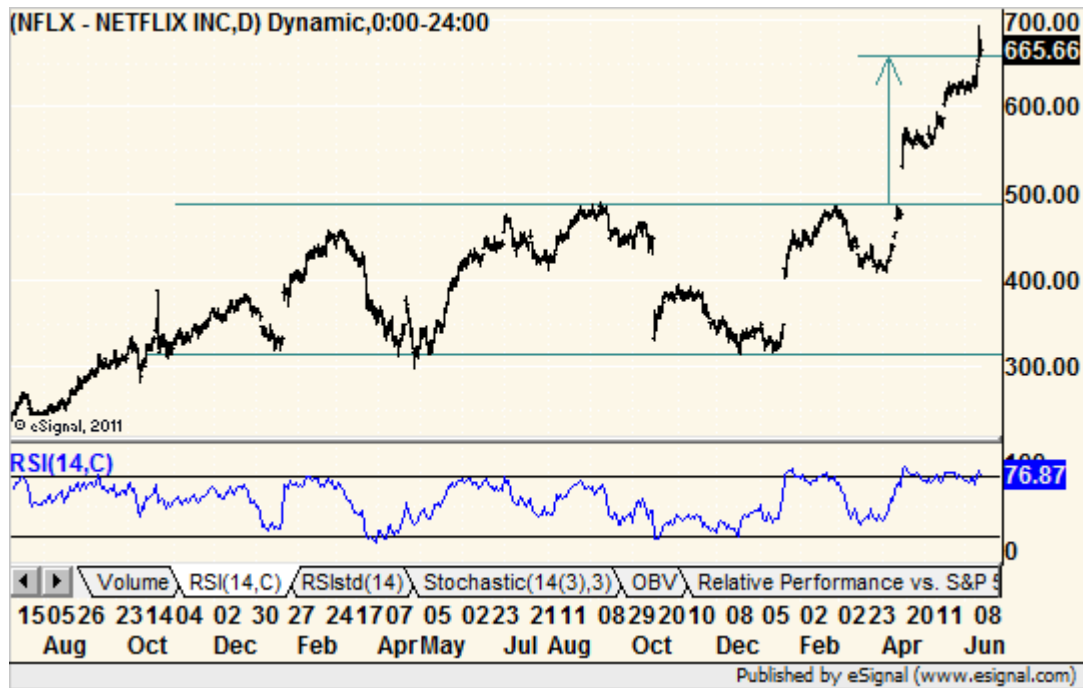
Russell Microcap Index – No explanation for this new high. No idea what it means for the rest of the market other than speculation and belief the dollar is going back up. These stocks are domestically oriented.

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		
Yum Brands YUM – Restaurant with bearish RSI divergence. Sell close under 90 as that breaks support.		5/29
Marriott MAR – Weekly chart looks to be rolling over. Would like a slight bounce to sell. Did not bounce Wednesday suggesting it is very weak. Selling new low at 76.55.	Moved	6/8
3M MMM – A Dow stock with a gradual topping pattern. A good one to consider for a short on a bounce. To 161.	Moved	6/9
Travelers TRV – We are already short ALL . This one looks like it will bounce as the moving average death cross happens. Selling 101	Moved	6/9
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Long-term setups – LGF (breakout), SFUN (breakout), AGU , MOO	Changed	6/3
Penn Gaming PENN – While LVS and WYNN fall apart, this gaming stock is on the verge of a breakout. If the others recover, this could be a nice long. For now, we watch both support and resistance. Breakout without us. <u>But will it hold?</u>		6/8
Host Hotels HST – This is a weekly chart and it has arguably broken down. Daily on-balance volume is falling like a knife. We'll watch for a little bounce unless the market falls apart. A big 4% dividend may cushion the blow.		6/8
Manpower MAN – Not exactly a weekly cup-with-handle but it has the same feel. Waiting for a long-term breakout. Breakout but can we buy in this market?		6/9
Sector Watch (observations that may spark ideas)		
Oil services – Still holding a base breakout.		5/6
Retail – A few retailers with potential. BKE (on flag breakout), GES . SPLS .		6/5
SPDR Insurance ETF KIE – Absolute and relative breakout. This seems to be led by stocks already in rallies and not new ones breaking out to join them. That suggests trend following and not bottom fishing is a better plan if you are interested.		6/11
Hotels – This one was in the red yesterday as the market soared. Very weak as we mentioned above. Here, we see the sector index below the 50-day average and arguably below support. This is a good place to mine for shorts. Add HOT and WYN to the above MAR and HST .		6/11
Nasdaq biotech ETF IBB – Still holding on but with a bearish stochastics divergence		6/11
Updates		
none –		

Market Highlights



Netflix – This winner has surpassed its target for the range breakout earlier this year. It seems to us that before it tries for another multiple of that target it has to rest first. Reversing is a dream right now for the bears. That could change, of course, but not right now.



Microsoft – If you are looking for a reason to buy Mr. Softee, this is it. A move above the flag pattern would be a very good signal.

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>	COF	CAPITAL ONE FINL CORP	87.66	5.9%	84.50	82.80	5/6	36
	KEY	KEYCORP NEW	15.36	4.1%	14.75	14.75	5/11	31
	KBE	SPDR S&P BANK ETF	36.82	6.5%	35.50	34.58	5/11	31
	GM	GENERAL MTRS CO	35.55	-1.6%	34.75	36.11	5/28	14
	XLNX	XILINX INC	47.22	-1.0%	45.75	47.68	5/28	14
<u>Short</u>	FLS	FLOWSERVE CORP	54.44	1.8%	56.50	55.40	5/12	30
	ALL	ALLSTATE CORP	67.49	-0.3%	68.00	67.30	6/1	10

Notes: Just another stop raise in banking.

Subscriber Corner

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

New subscribers, might we suggest a look at this two-pager? Michael Rules. [Click here](#) (its included in the service).

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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