

# QUICK TAKES PRO

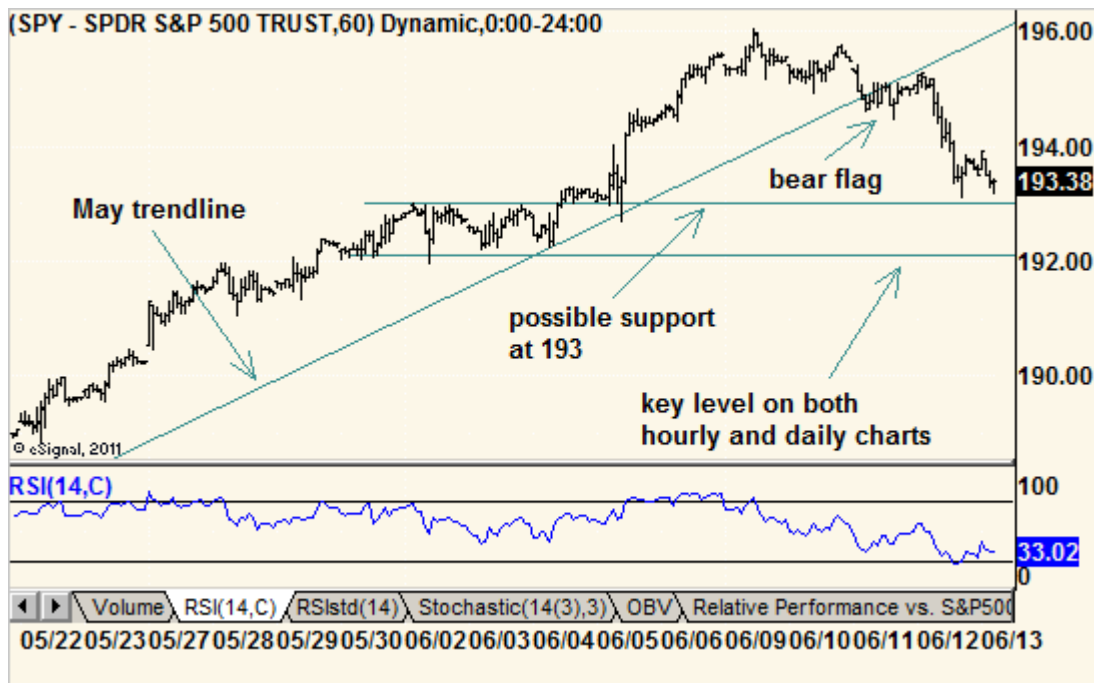
"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

**June 13, 2014** - It's Friday the 13th and a new moon. It is also a day when giant solar flare radiation hits the Earth - a combination for a market top, so they say. Too bad that top, if that what it is, happened four days ago - before the flare erupted and before Iraq fell apart.

The market was ripe for a pullback and the Dow chart we've been following is playing out well. If it keeps going then we should see a buying opportunity early next week.

Of course, that is putting our will on the market and that is always a bad idea. Instead, let's look at trendline and supports to see if the important ones hold or break. The intraday is just below. The dailies are in the Index Charts of the Day section.



The hourly SPY chart shows support very close now at roughly 193 with key, line-in-the-sand support at 192. Today may not bounce or it might **but one idea we have** is to take home still-cheap call options over the weekend. That way, if nothing happens geo-politics-wise Monday could be a quick rally. If things get worse, there is limited downside in options. We won't get caught in any sharp sell-off in actual stocks.

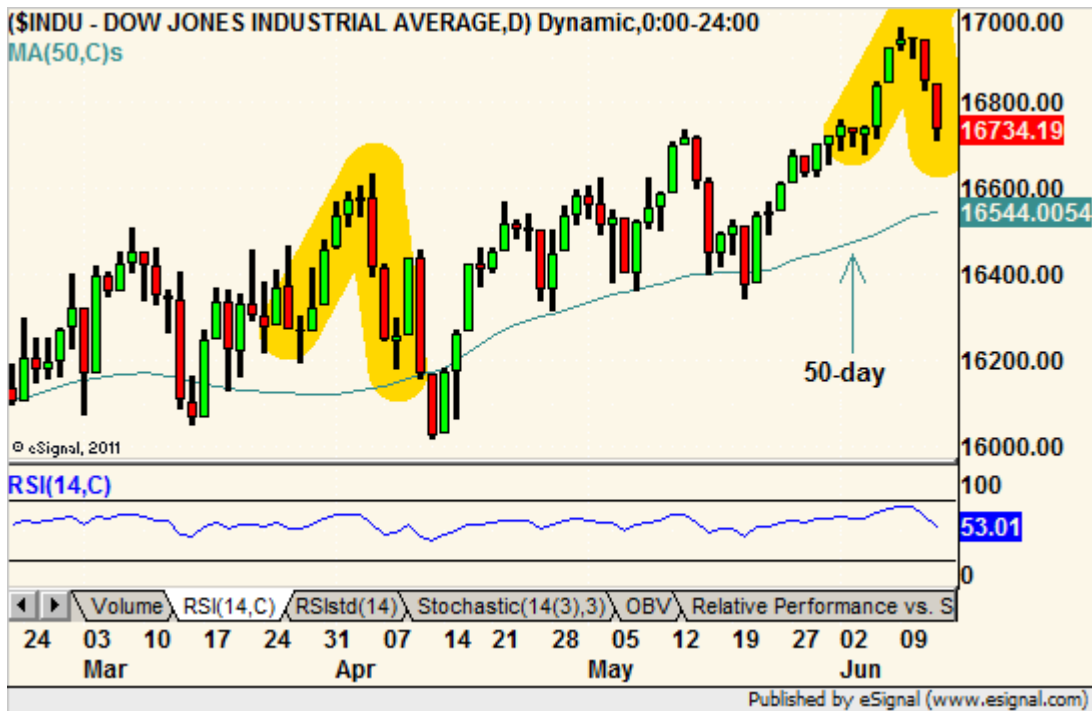
Bonds saved the breakdown with a steep rally. Flight to safety? Perhaps. But for now the trendline and 50-day average are both given new life as supports.

Gold had a nice day but it is soft this morning. We'll look at the chart below to see there is a lot of work left to do here. But with the performance of gold stocks, we have to like what is developing here.

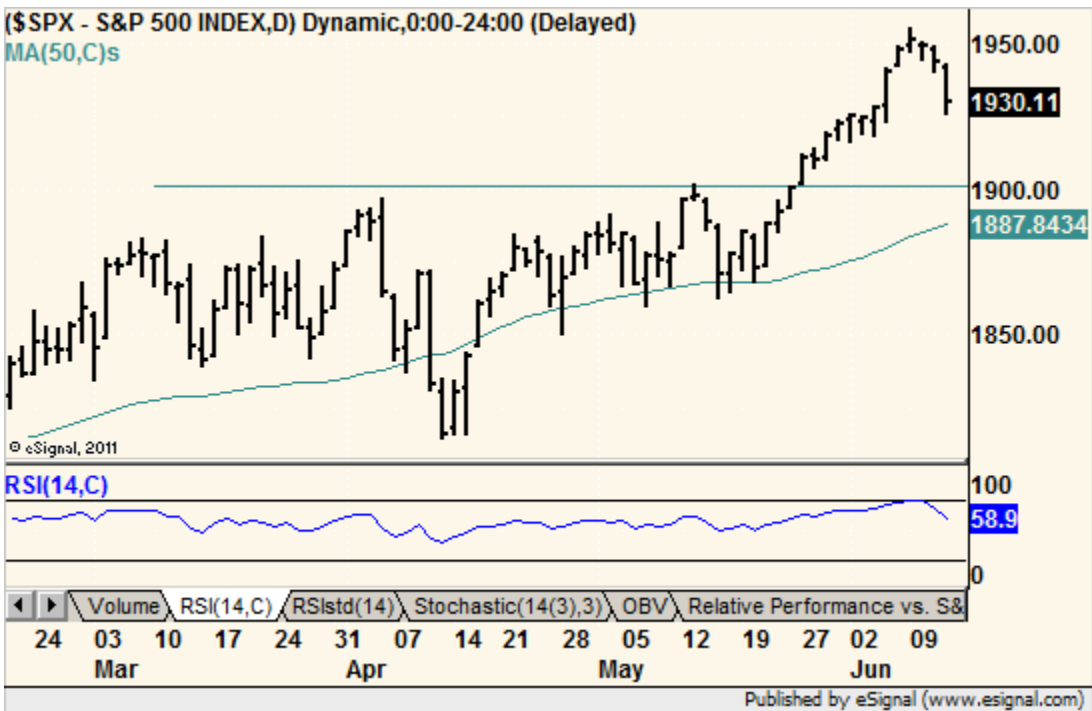
Oil, as expected, shot higher. While overbought short-term, there is no real resistance until about 109. We've been looking at the oil ETF chart but we have the NYMEX futures chart below.

In stock sectors, airlines were crushed with 3-5% loses across the major stocks. Curiously, drug retailers and coal were among the biggest losers. The winners yesterday were gold, oil and utilities. No surprises there. However, even after a higher run, semiconductors were barely down.

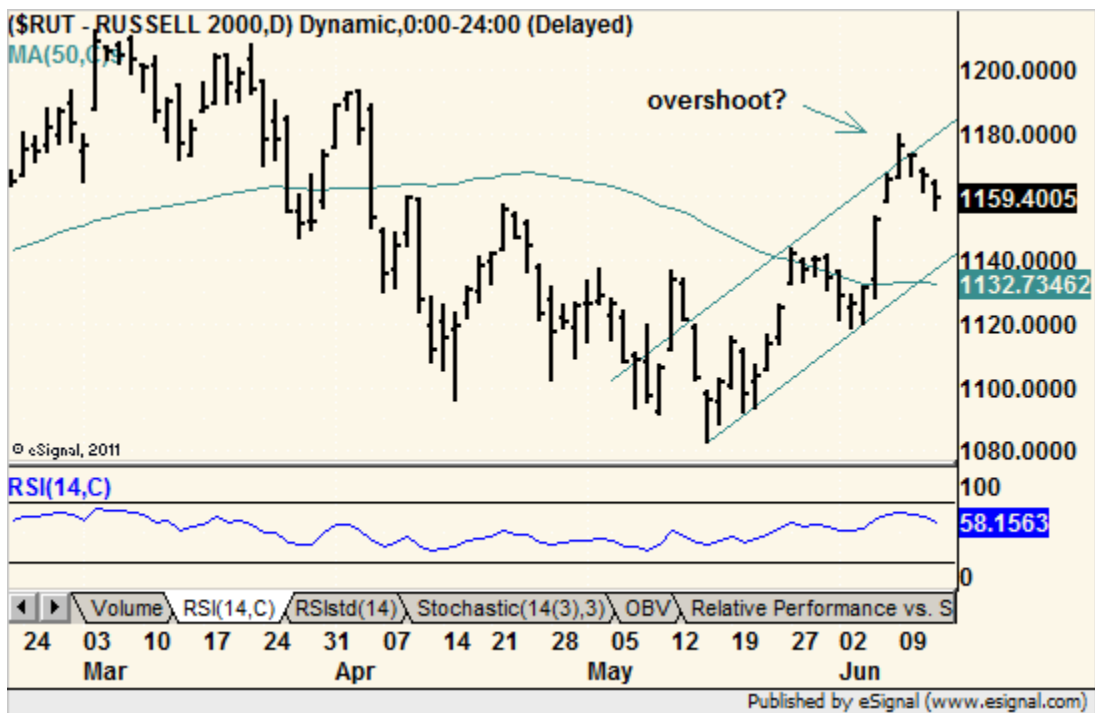
## Index Charts of the Day



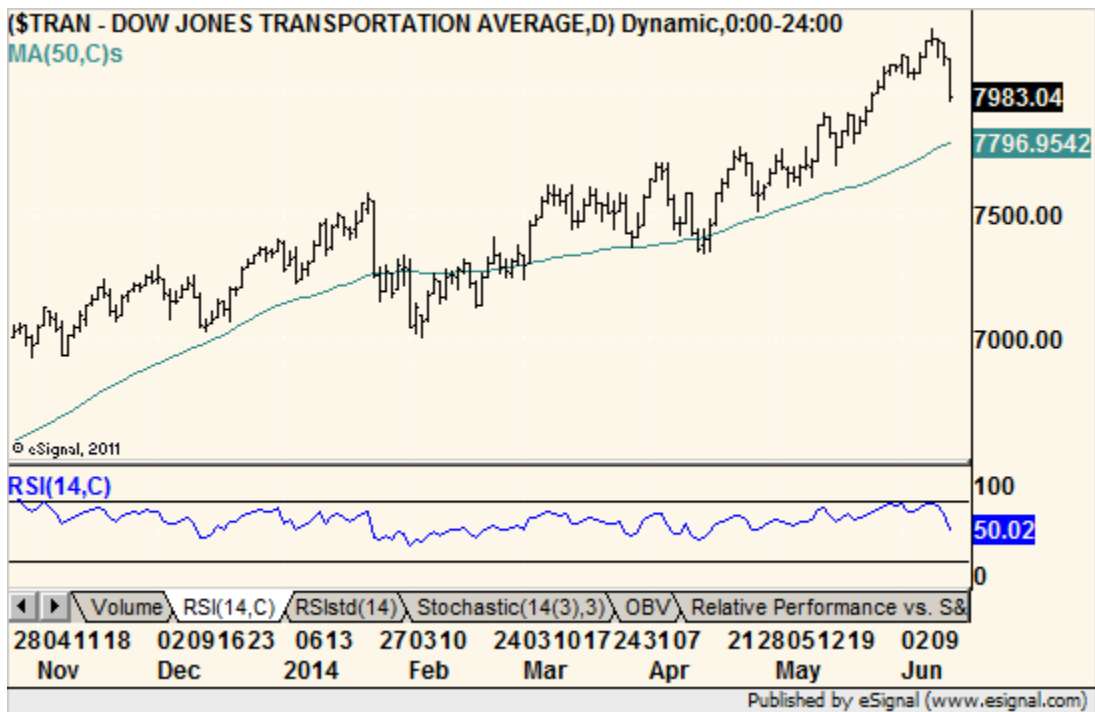
Then and now still looking rather similar. In April, the sequence was a doji and rally from here. Note that the 50-day average is not even close to being in trouble.



For the S&P 500, the 1900 level (give or take) is the line in the sand. The 50-day average will rise to meet it soon.



The Russell 2000 is in the middle of a rising channel.



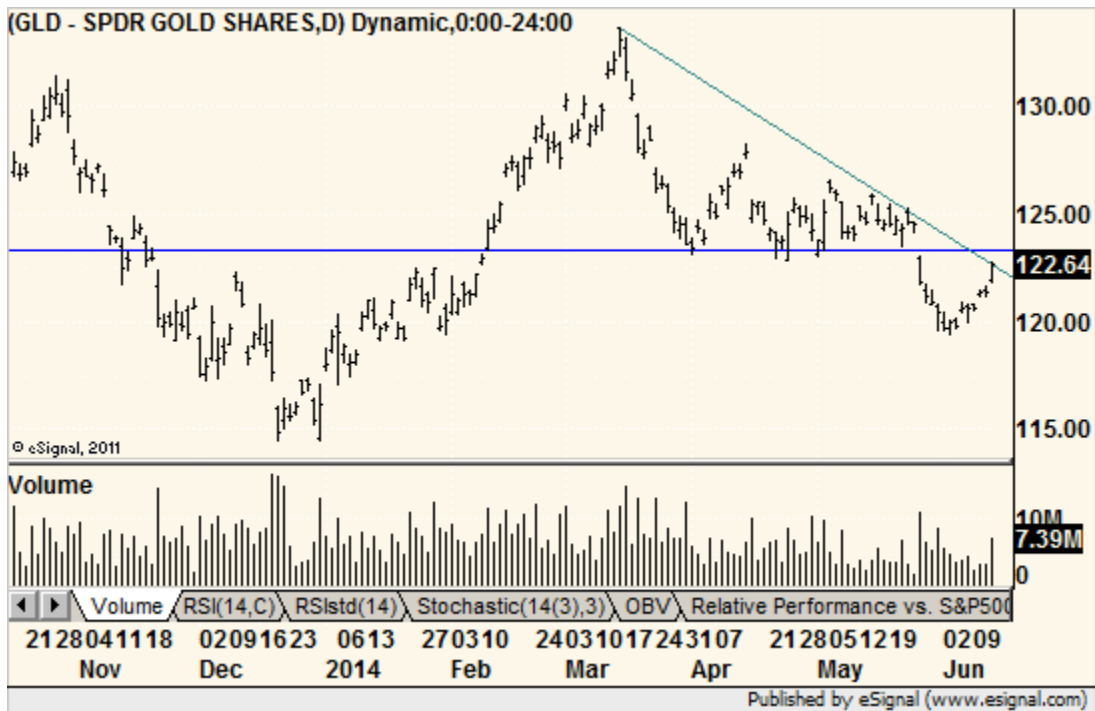
Even the airline-laden transports are still in a rising trend.

## The Radar Screen

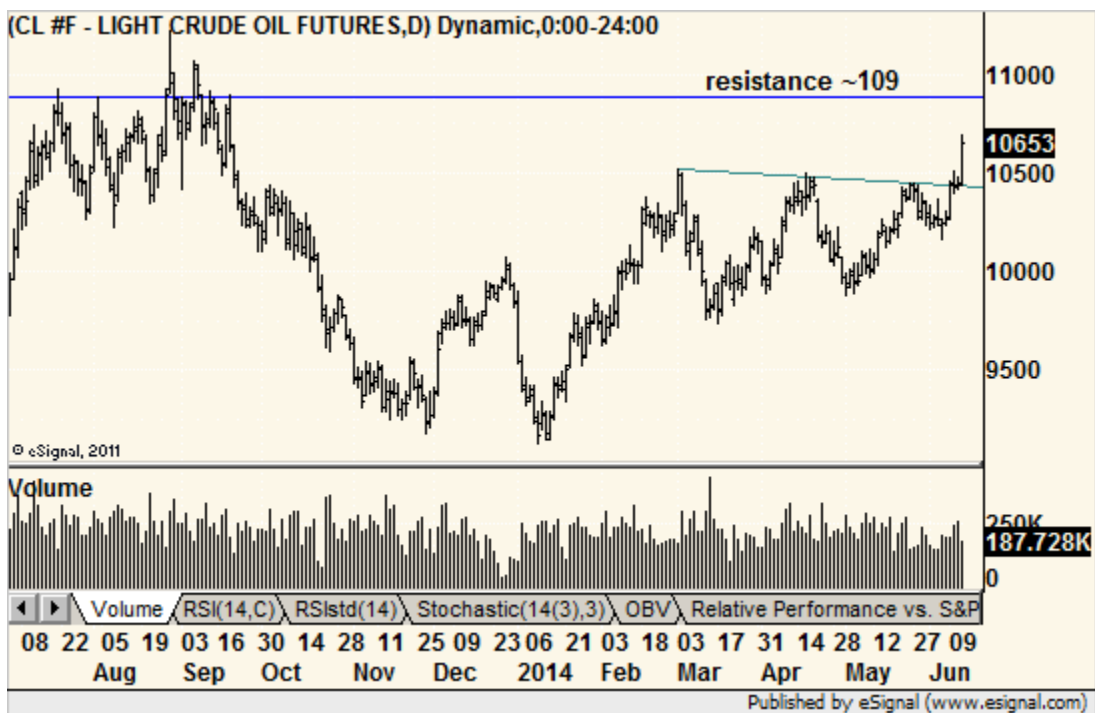
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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>Corning GLW</b> - Ascending triangle breaks out at 21.75.		5/28
<b>Paychex PAYX</b> - Rising stochastics in a trading range makes it lean bullish. Buy range breakout over 41.65.		5/28
<b>Yamana Gold AUJ</b> - We were looking for a higher low but this stock held its ground over the past week instead of dipping. Now at the neck of a funky inverted head-and-shoulders with RSI divergence. Breakout and time to buy	<b>Triggered</b>	6/3
<b>Royal Gold RGLD</b> - This miner never really fell and is now challenging the trendline and 50-day average. Buy close over 50. (typo- S/B 65 and triggered.	<b>Triggered</b>	6/11
<b>KEYW Holdings KEYW</b> - This is a cyber security company and the chart sports a bullish RSI divergence and possible upside breakout. It is a bit thin for many investors to trade and of course it is still below its 50-day average but for risk-lovers this is a good look. Giving it a go.	<b>New</b>	6/13
<b>Bearish Implications</b>		
<b>none</b> -		5/28
<b>Unknown Implications</b>		
<b>Coca Cola KO</b> - Did not participate Tuesday and now in a tight range. Sell break of support at 40.45 on close. Buy close over 41.28.	<b>Triggered (short)</b>	5/28
<b>Holding Tank</b> - red shade leans bearish, green shade leans bullish		
<b>Xilinx XLNX</b> worth watching in both directions. <u>Time to move on</u>	<b>Removed</b>	5/28
<b>Sector Watch</b> (observations that may spark ideas)		
<b>Telecoms</b> - Flattened out over the past month with RSI divergence. Breakdown		6/9
<b>Gaming</b> - Still lagging. Never recovered.		6/10
<b>Industrial machinery group</b> - Keep this sector in mind for opportunities should the market have a nice orderly pullback now.		6/10
<b>Oil Services ETF OIH</b> - Trend is up.		6/10
<b>Semiconductor index SOX</b> - Very resilient in a sell-off.	<b>Changed</b>	6/10
<b>Updates</b>		
<b>Priceline PCLN</b> - Buying <b>OPEN</b> and both are up in the premarket		

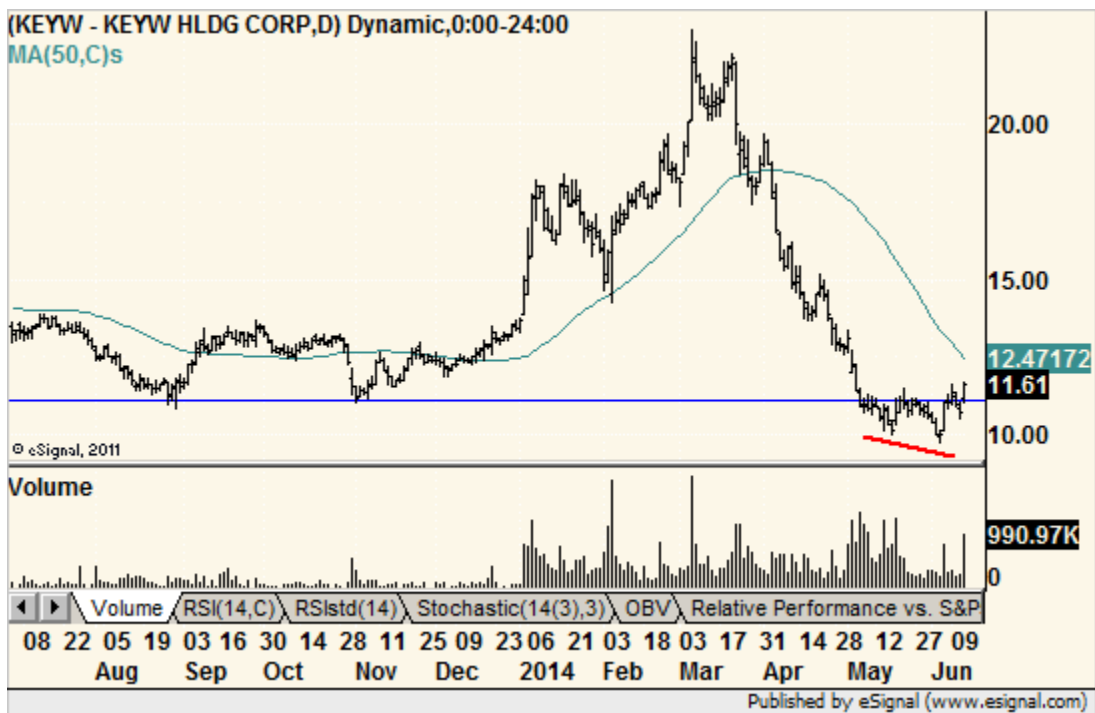
## Market Highlights



**Gold ETF** - Looking better but still plenty of resistance to battle.



**Crude Oil** - Resistance at about 109 is not such a stretch. It was here last summer.



**KEYW Holdings** - This is a cyber security company and the chart sports a bullish RSI divergence and possible upside breakout. It is a bit thin for many investors to trade and of course it is still below its 50-day average but for risk-lovers this is a good look. Giving it a go. (We found it on Twitter)

## 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.

	Symbol	Name	Last	P/L	Stop	Price in	Date in	#Days
Long	<b>FCX</b>	FREEMPORT-MCMORAN COPPER GOLD	33.75	-3.8%		35.08	5/19	24
	<b>CAG</b>	CONAGRA FOODS INC	32.23	0.2%	31.75	32.17	5/29	14
	<b>DD</b>	DU PONT E I DE NEMOURS & CO	68.08	-1.3%	67.50	68.97	5/29	14
	<b>WYN</b>	WYNDHAM WORLDWIDE CORP	72.44	-1.4%	71.50	73.50	5/30	13
	<b>TAN</b>	GUGGENHEIM SOLAR ETF	41.01	-2.4%	39.50	42.00	5/30	13
	<b>FCG</b>	1ST TRUST ISE-REVERE NAT GAS	23.08	1.7%	22.00	22.70	5/30	13
	<b>APD</b>	AIR PRODS & CHEMS INC	119.54	-0.3%	119.00	119.85	5/30	13
	<b>PPG</b>	PPG INDS INC	203.58	0.6%	198.00	202.33	6/2	10
	<b>BDX</b>	BECTON DICKINSON & CO	118.20	-0.3%	115.00	118.50	6/3	9
	<b>KMI</b>	KINDER MORGAN INC DEL	34.91	2.5%	33.75	34.05	6/4	8
	<b>MRO</b>	MARATHON OIL CORP	39.15	5.6%	<b>38.00</b>	37.07	6/5	7
	<b>GOOGL</b>	GOOGLE INC	559.50	0.4%	545.00	557.11	6/5	7
	<b>CBS</b>	CBS CORP NEW	60.88	0.7%	59.00	60.48	6/5	7
	<b>PAG</b>	PENSKE AUTOMOTIVE GRP INC	46.50	-3.8%		48.35	6/5	7
	<b>ILMN</b>	ILLUMINA INC	172.01	4.8%	165.00	164.09	6/5	7
	<b>IRBT</b>	IROBOT CORP	35.00	-1.2%		35.43	6/6	6
	<b>HSY</b>	HERSHEY CO	96.94	-1.1%	95.00	98.00	6/6	6
	<b>NG</b>	NOVAGOLD RES INC	3.95	8.8%	<b>3.70</b>	3.63	6/11	1
	<b>AUY</b>	YAMANA GOLD INC	8.06	2.8%	7.70	7.84	6/12	0
	<b>RGLD</b>	ROYAL GOLD INC	66.77	0.0%	64.00	66.77	6/12	0
Short	<b>RJF</b>	RAYMOND JAMES FINANCIAL INC	48.89	-1.3%	51.00	48.25	5/15	28
	<b>CRM</b>	SALESFORCE COM INC	53.04	-5.2%	54.00	50.29	5/22	21
	<b>SCHW</b>	SCHWAB CHARLES CORP NEW	25.60	-1.1%	26.50	25.33	6/2	10
	<b>KO</b>	COCA COLA CO	40.42	0.0%	42.00	40.42	6/12	0

**Notes:** As we could have expected, we were stopped out of a few longs. Even though gold was up, copper was down more so **FCX** was stopped. We still believe in **IRBT** but a stop is a stop.

Two new longs in gold stocks, unfortunately one was at the close.

One new short in **KO** as it broke down from a range under resistance.

## Other Information

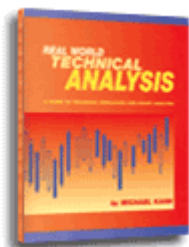
**About** - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen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



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