

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

June 15, 2015 – Greece finally admits what the trend knew all along – no deal. Greek stocks are down 5% as we write these words this morning but it seems that will not be where they end up. We can imagine US investors piling on to the selling or something political happens where Greek officials finally acquiesce. One thing about this whole thing we like is getting it over with (ugh grammar) already. Then we can concentrate our worry day in and day on the Fed.

Hidden in the news was an overnight 2% drop in China. That is fairly hefty for a big market but in the context of its chart the move was barely a blip. It set a two-day intraday low – that's it. Volatility in China is rather high, we'd say, but the worst we can say right now on the charts is that there is an arguable bearish RSI divergence. This is not out of the woods just yet but the trend, impossible as it is, remains to the upside.

Would we buy it? Nope. These vertical rallies do not end well although it could last for weeks to come before it explodes.

The only reaction we see globally to Greece is an uptick in US Treasury bonds. The trend there is still very much to the downside but given a choice of markets to park money safety seems to rule – at least for today.

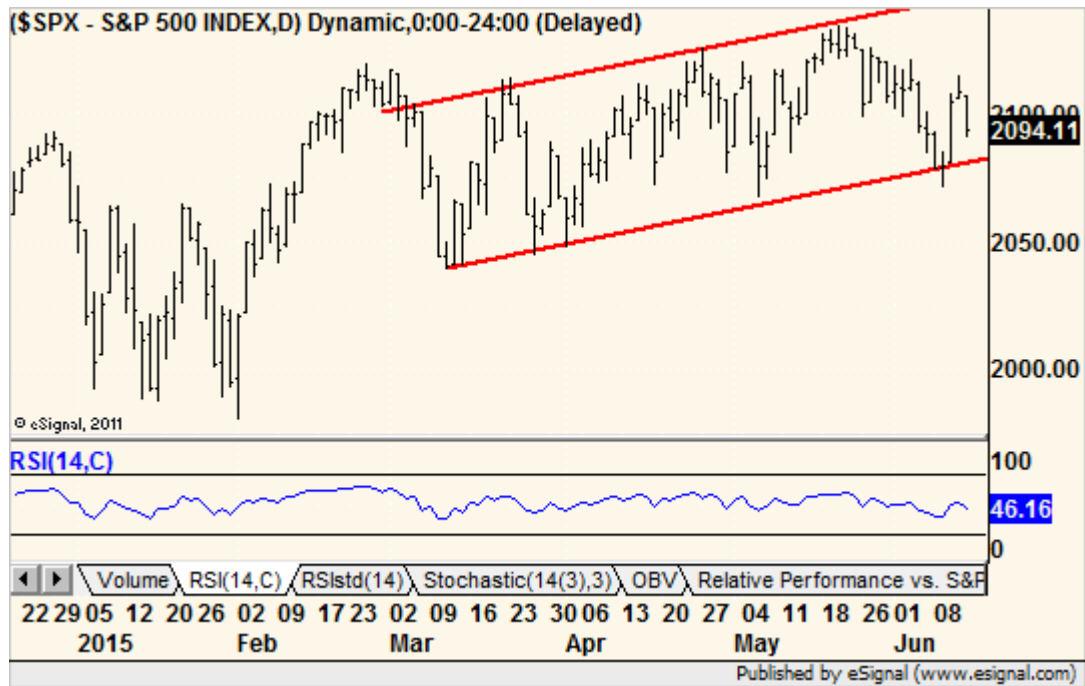


The hourly chart shows nice performance by support and resistance features once again. And now the SPY is challenging the trendline from March, which is the one that everyone heralded last weeks as holding (looks better on the daily chart).

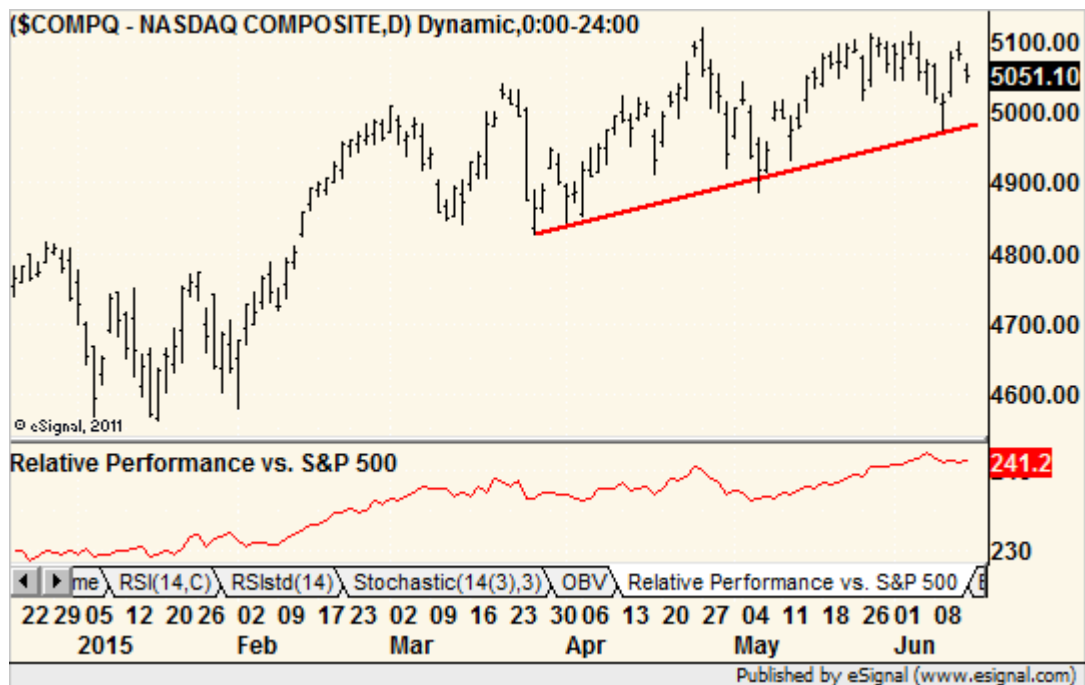
Remember that today is the opening day for the follow-through-day window. A surge in price and volume today through Thursday would create a signal that the bull trend is back in force. Clearly, the premarket suggests "not today" but anything can happen, especially when Greece is backed against the sea – literally.

Strategy – Cash is looking better with a smattering of shorts. Keeping the banks long for now.

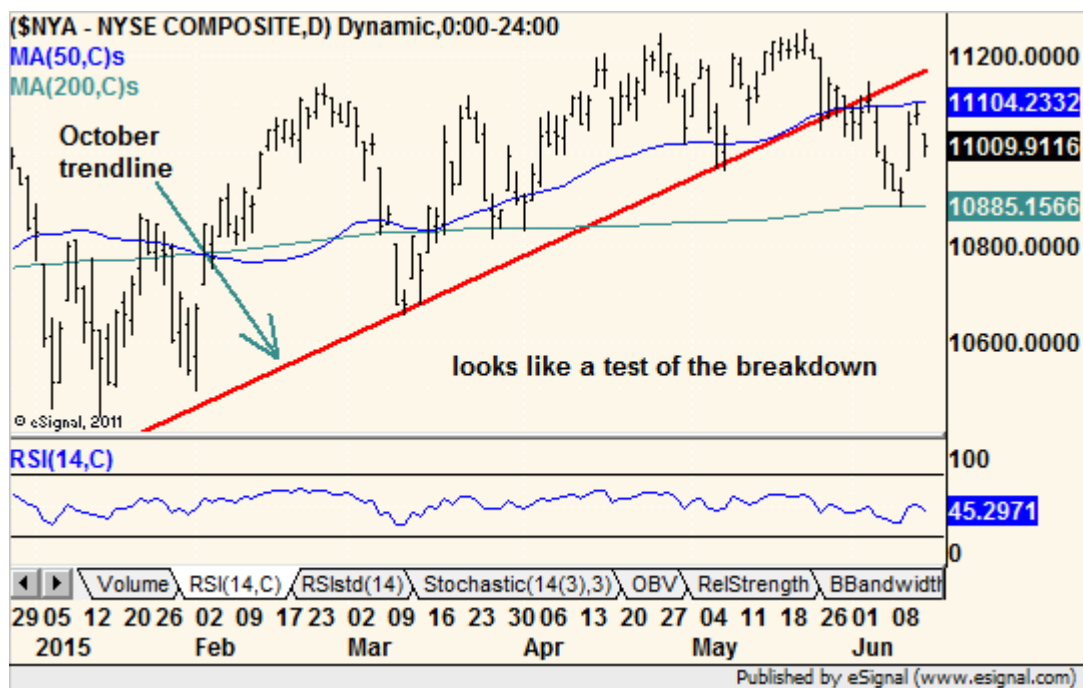
Index Charts of the Day



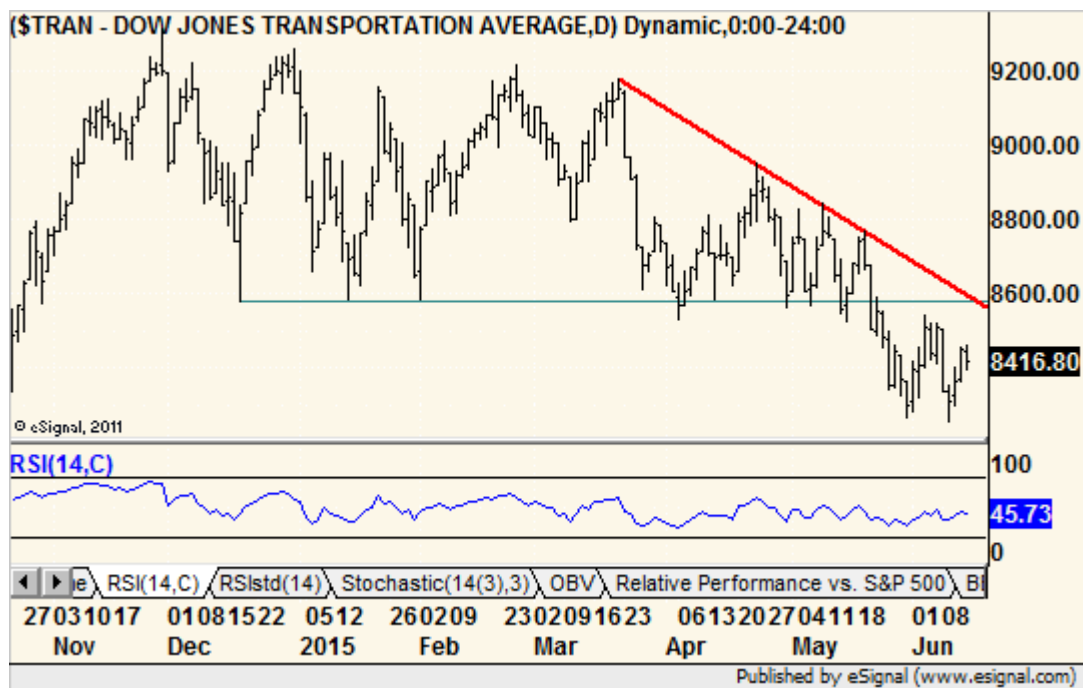
It was a nice bounce off support last week but this morning prices are heading back down to test it. Failure to hold now would be rather bearish for the rest of June – which, by the way, has taken the title of worst month of the year lately.



The Nasdaq is doing better relative to the rest so if the market does manage to turn itself around to move higher this is the place to be.



The average stock seems to be in trouble.



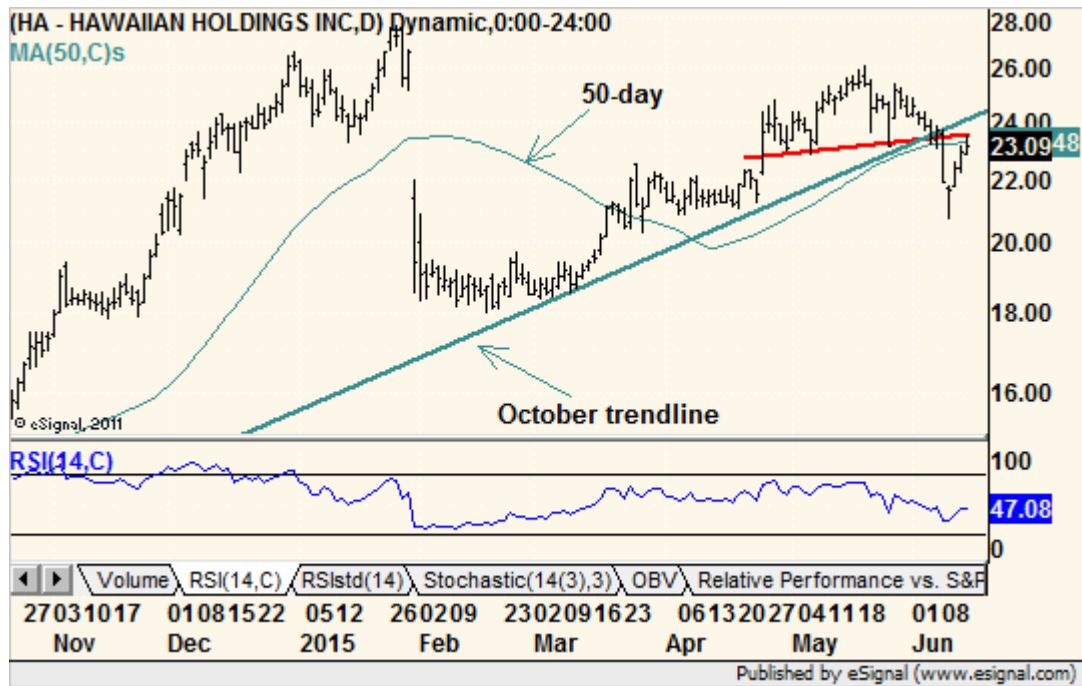
No words needed in the transports.

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		
Microsoft – If you are looking for a reason to buy Mr. Softee, this is it. A move above the six-week flag pattern after support already held would be a very good signal. It may not happen for a while but buy 47.		6/12
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.	Triggered	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. Not going to happen but still looks weak.		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. Not going to happen but still looks weak.		6/9
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. <u>Good enough with a weak Friday finish. Selling.</u>	Moved	6/8
Hawaiian Holdings HA – The bounce for this airline has hit resistance from the 50-day average, October trendline and neckline from the recent head-and-shoulders pattern. A good short right here.	New	6/15
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Long-term setups – LGF (breakout), SFUN (breakout), AGU , MOO		6/3
Penn Gaming PENN – While LVS and WYNN fall apart, this gaming stock broke out. If the others recover, this could be a nice long.		6/8
Manpower MAN – Not exactly a weekly cup-with-handle but it has the same feel. <u>Watching for now.</u>		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



Hawaiian Holdings – The bounce for this airline has hit resistance from the 50-day average, October trendline and neckline from the recent head-and-shoulders pattern. A good short right here.



Copper – Looking rather weak.

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	87.57	5.8%	85.00	82.80	5/6	39
	KEY	KEYCORP NEW	15.37	4.2%	14.75	14.75	5/11	34
	KBE	SPDR S&P BANK ETF	36.78	6.4%	35.50	34.58	5/11	34
	GM	GENERAL MTRS CO	35.71	-1.1%	34.75	36.11	5/28	17
	XLNX	XILINX INC	46.65	-2.2%	45.75	47.68	5/28	17
<u>Short</u>	FLS	FLOWSERVE CORP	54.26	2.1%	56.50	55.40	5/12	33
	ALL	ALLSTATE CORP	67.37	-0.1%	68.00	67.30	6/1	13
	MAR	MARRIOTT INTL INC NEW	76.63	-0.1%	80.00	76.55	6/12	2

Notes: New short in **MAR** triggered intraday Friday.

Trailed **COF** stop higher.

Subscriber Corner

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

Note to Tam – It is really out of our mandate but other than pride any Greek default is really not a big deal. It is too small compared to other countries. Everyone sees it coming but the worry could be spillage into bigger countries.

Other Information

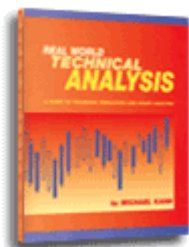
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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