

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

June 18, 2015 – We are not sure if we are hoppy that the market cared more about the Fed than Greece yesterday. Trepid statements from Ms. Yellen sent stocks higher in the afternoon for another tepid gain on tepid volume. But string enough of those together and we get a rally.

So far, that is not the case and the hourly chart below shows the red trendline still intact as resistance. On the bullish side, the dip and recovery just under the line suggests the market has the will to hold a breakout should it actually cross that line. If and when that happens we will be forced to respond but until then we still think this is a trendless, lifeless, listless market. Cash still sounds like the major position to have right now, again with our smattering of longs and shorts in areas that show some direction.

Did you notice the transports yesterday? While the Fed rally clawed on, the DJTA slipped even farther, mostly thanks to **FDX**. Marine shippers were also weak.

Making **FDX**'s decline curious – as well as general weakness in airlines – was that oil started very strong but gave it all up by the close.

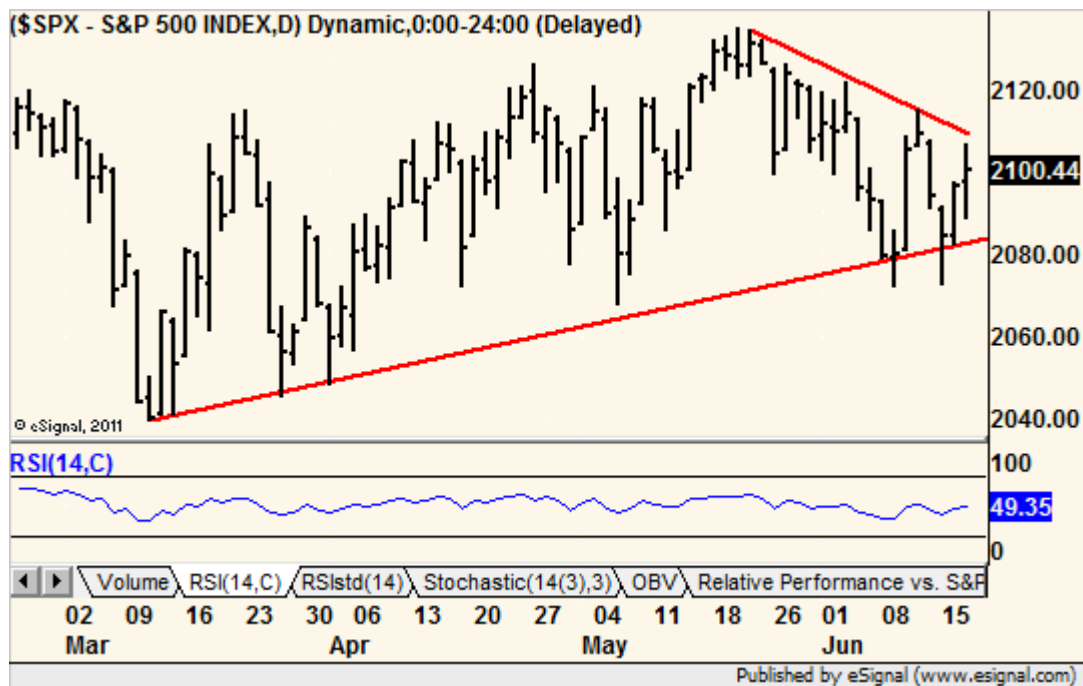
At least gold responded the expected way to the falling post-Yellen dollar. However, we still cannot get excited about the metal – or any metal – despite the one analyst trumpeting \$25,000 gold.

There was a casualty of the Fed's forecast cut (and measured pace of rate hikes).was China. I wrote a piece for a trading website pointing out that the China stocks chart went "parabolic" and that sets up high risk for bulls and bears alike. We've got an **FXI** ETF chart below.

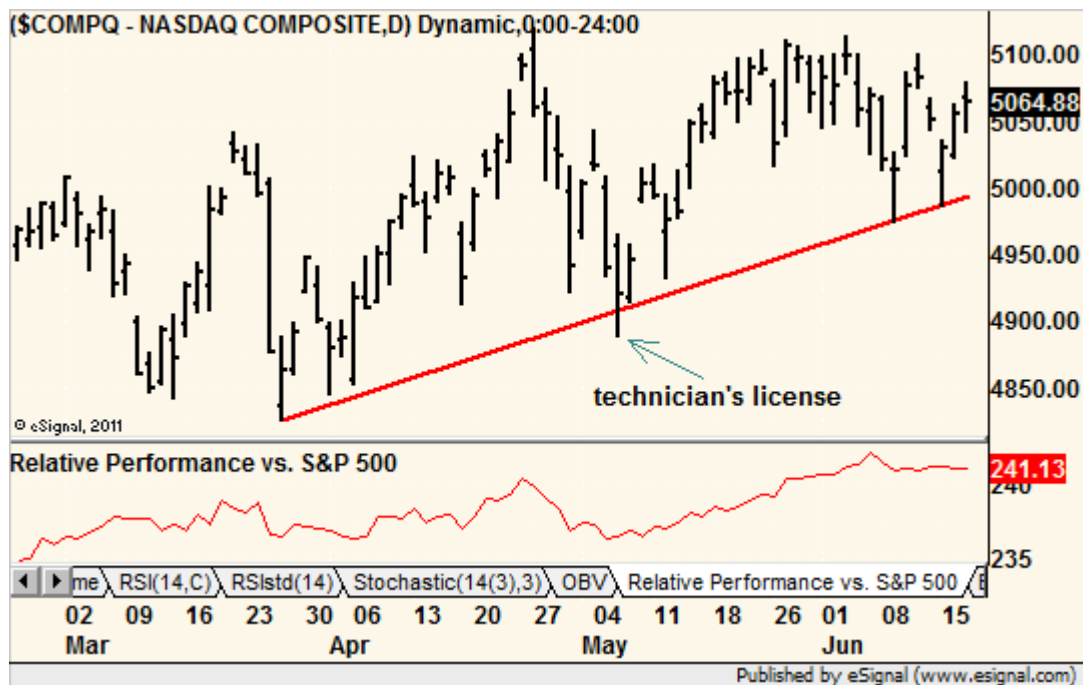


Here is the hourly chart with support and resistance. Which way will it break? Yesterday's late rally gives this a bit more power to move higher but until it happens we cannot get excited. As an aside, if the follow-through day setup is still valid, and we questioned it yesterday, then today is the final day to see a surge in both price and volume. It is nice how it will also spark a breakout from the pattern, too – if it happens, that is.

Index Charts of the Day



Here is the same falling trendline that we saw in the hourly chart. As for the lower trendline, we will have to revise it lower to capture the recent violations. Again, which line will win here?



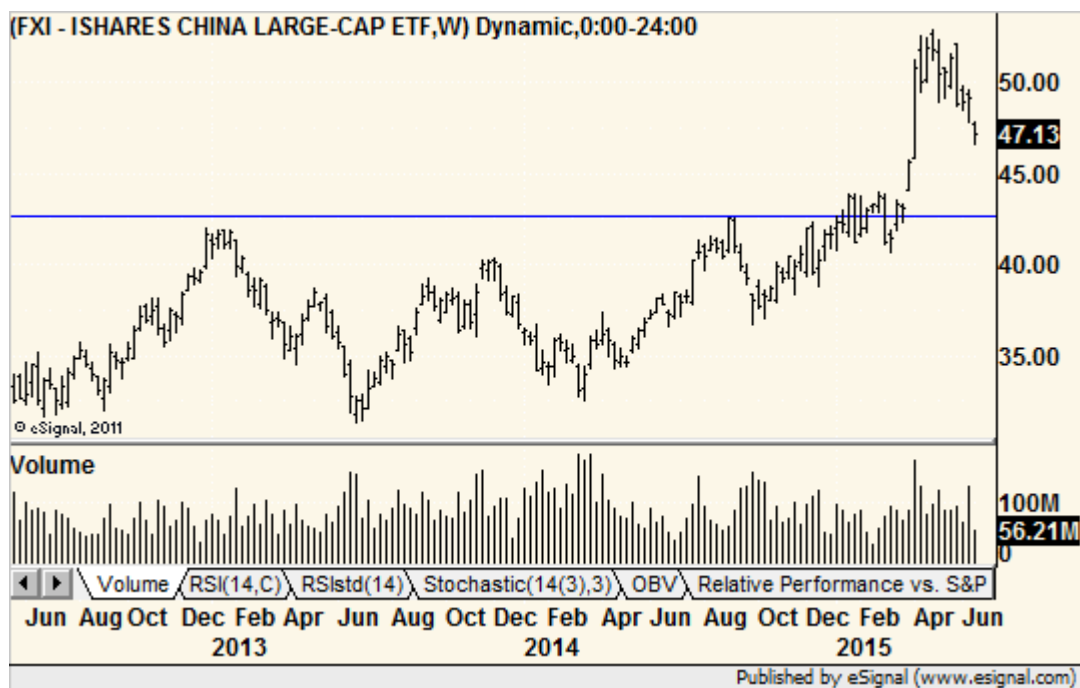
The Nasdaq's trend is better but over the past two week's its relative performance flattened out. We showed the **XLK** tech ETF is rocky shape a few days ago and yesterday **ORCL** bonked after hours. Two-pager on technician's license, [click here](#) (new subscribers, it is part of the service).

The Radar Screen

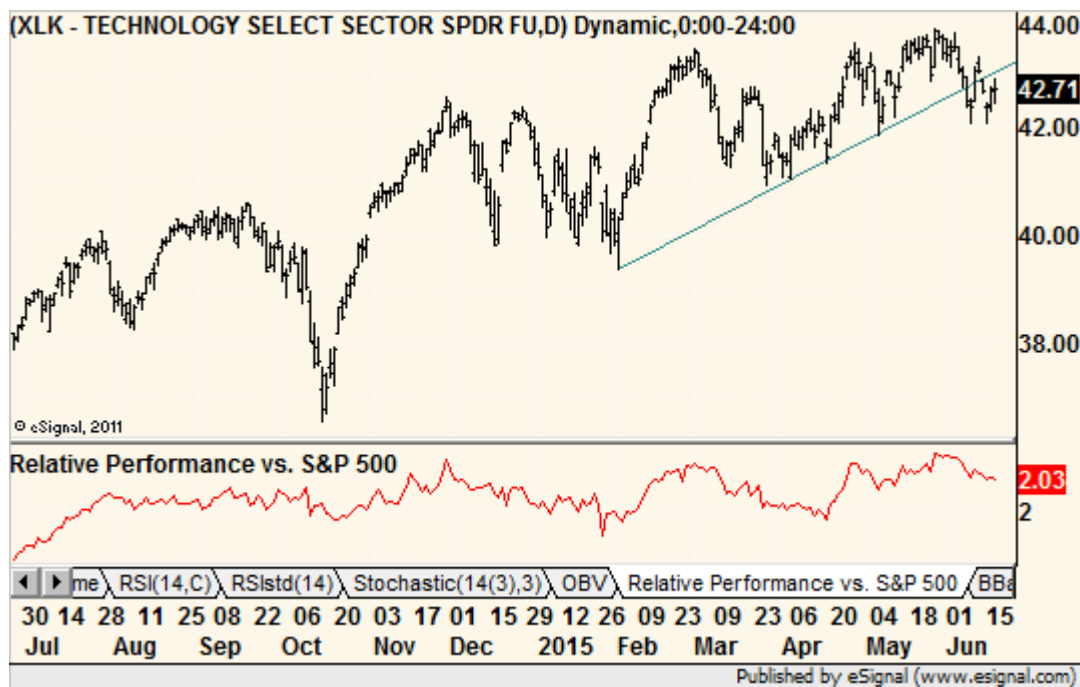
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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 46.50 .	Changed	6/12
Quanta Services PWR – Because we cannot resist showing nice setups even if they do not agree with our market view, this one is challenging a seven-month resistance. Positive trend break in on-balance volume. Buy 30.30 on close.		6/17
Procter & Gamble PG – Arguable breakout now with slight bullish RSI divergence. Love the 3.3% dividend yield. Buying now as even if it flounders for a while it is already a good support floor.	New	6/18
Bearish Implications		
Yum Brands YUM – Restaurant with bearish RSI divergence. Sell close under 90 as that breaks support.		5/29
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Long-term setups – LGF (breakout), SFUN (breakout), AGU , MOO		6/3
Manpower MAN – Not exactly a weekly cup-with-handle but it has the same feel. Watching for now.		6/9
Buckle BKE – A retailer with potential. Needs a flag breakout.		6/5
Qihoo 360 Technology QIHU – Chinese Internet with a 29% short interest. The chart does look rather bottom-y with fan lines and an inverted head-and-shoulders. But do we want to buy something in China when it looks like a bubble will pop there?		6/17
IBM – If you liked the MSFT setup then this one is similar. Big tech with a bull flag at support.		6/17
Weyerhaeuser WY – Watching fan lines on this paper stock. How fitting!		6/17
Sector Watch (observations that may spark ideas)		
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. Nice move up		6/11
Nasdaq biotech ETF IBB – Still holding on but with a bearish stochastics divergence		6/11
Updates		
Crude Oil – Still in a tight range between averages.		

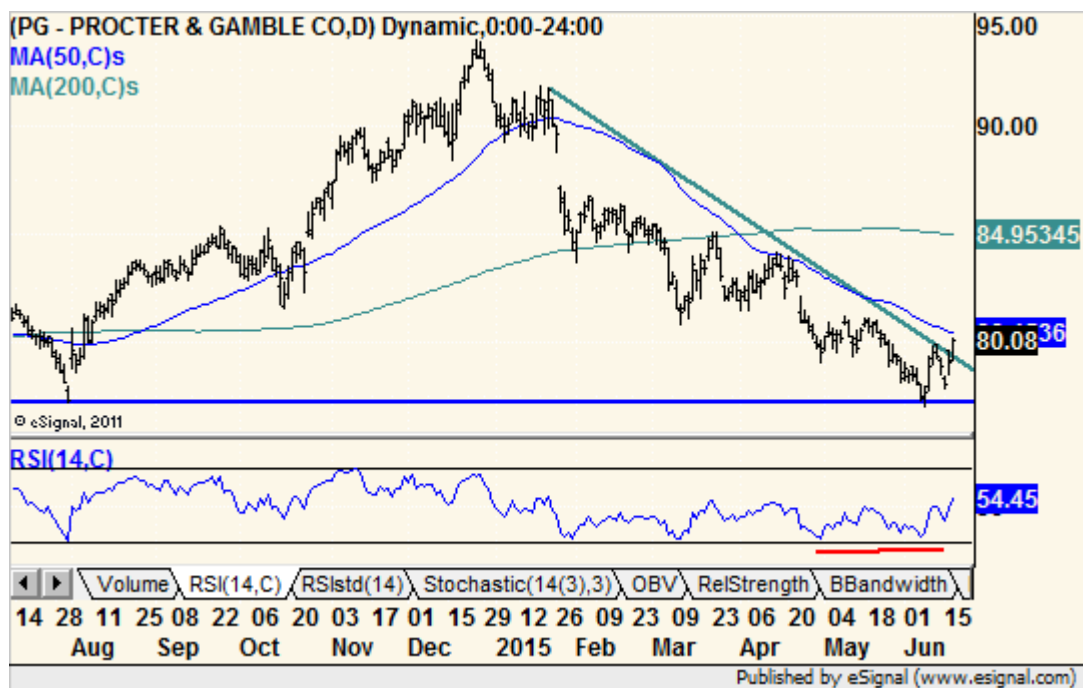
Market Highlights



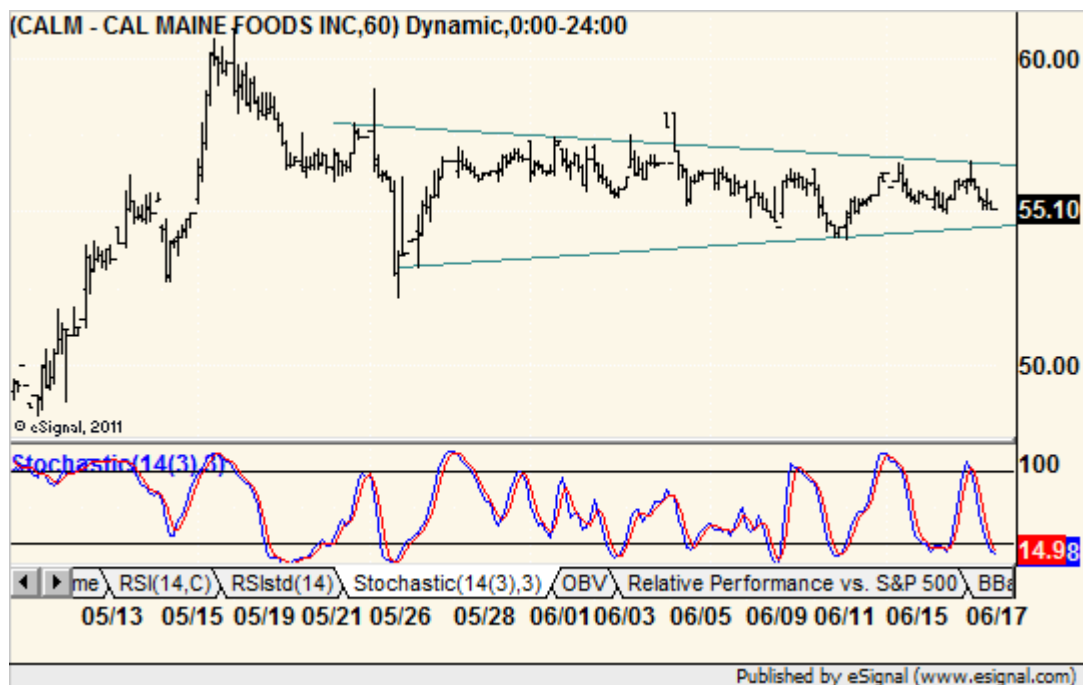
China 25 ETF – Although this tracks Hong Kong better than it does Shanghai, this ETF looks to be on a date with the top of its former range. And that is just a first stop. Should China collapse this can easily overshoot to the downside for a nice short-side gain. The problem is that it is already well on its way and down again this morning. For the nimble only right now.



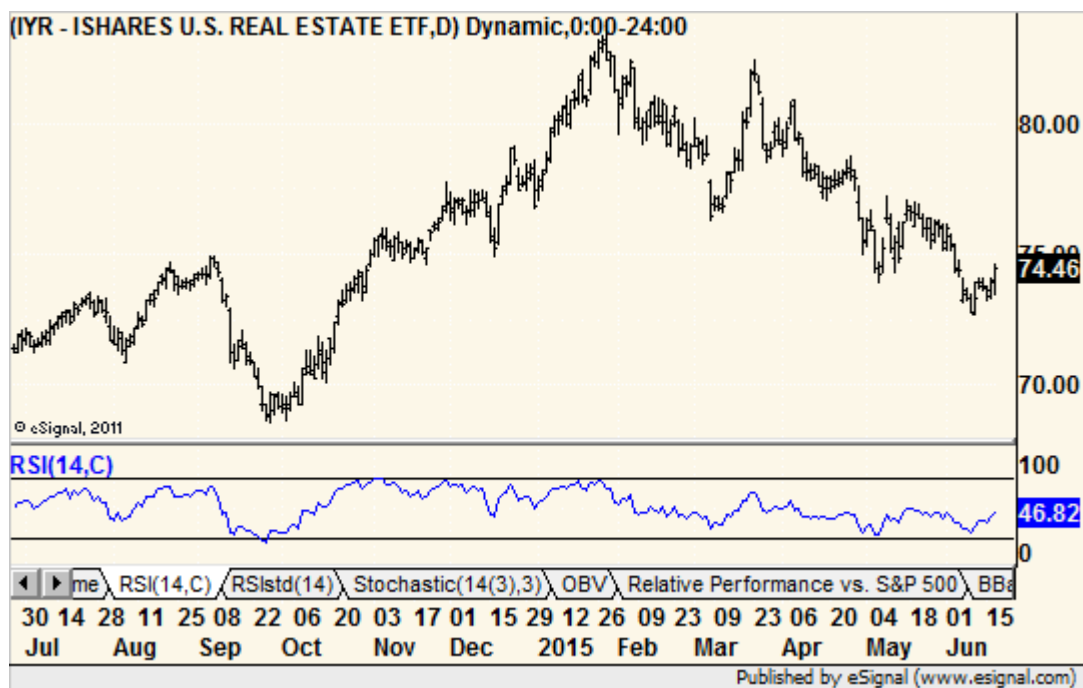
Tech ETF – We mentioned this in the Nasdaq chart write-up above. Looks a little funky.



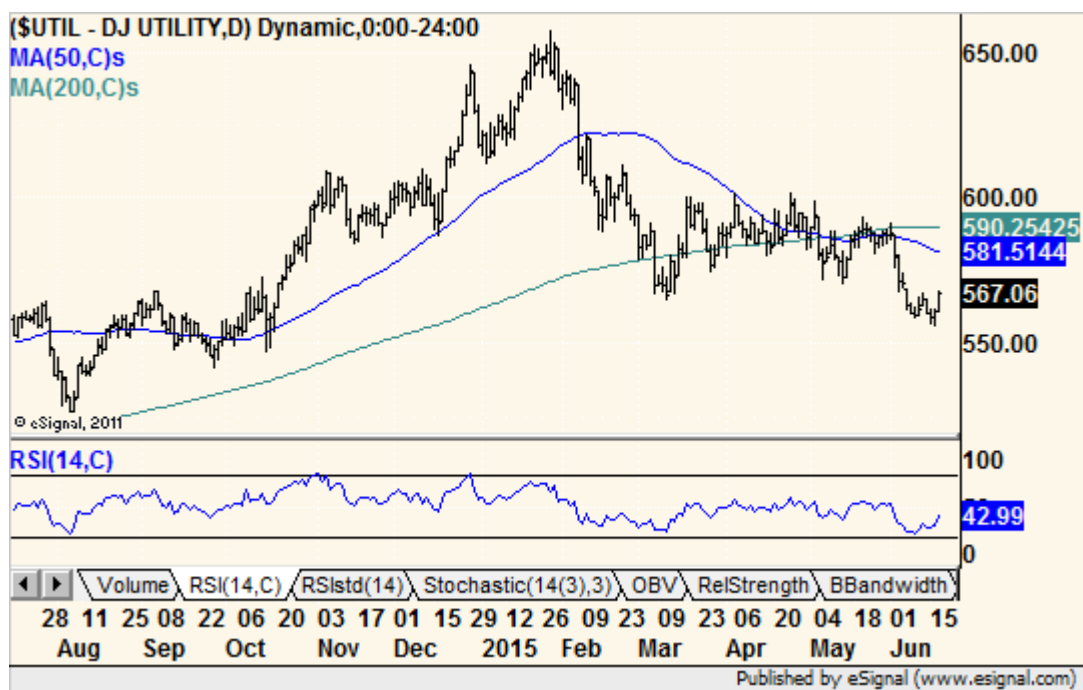
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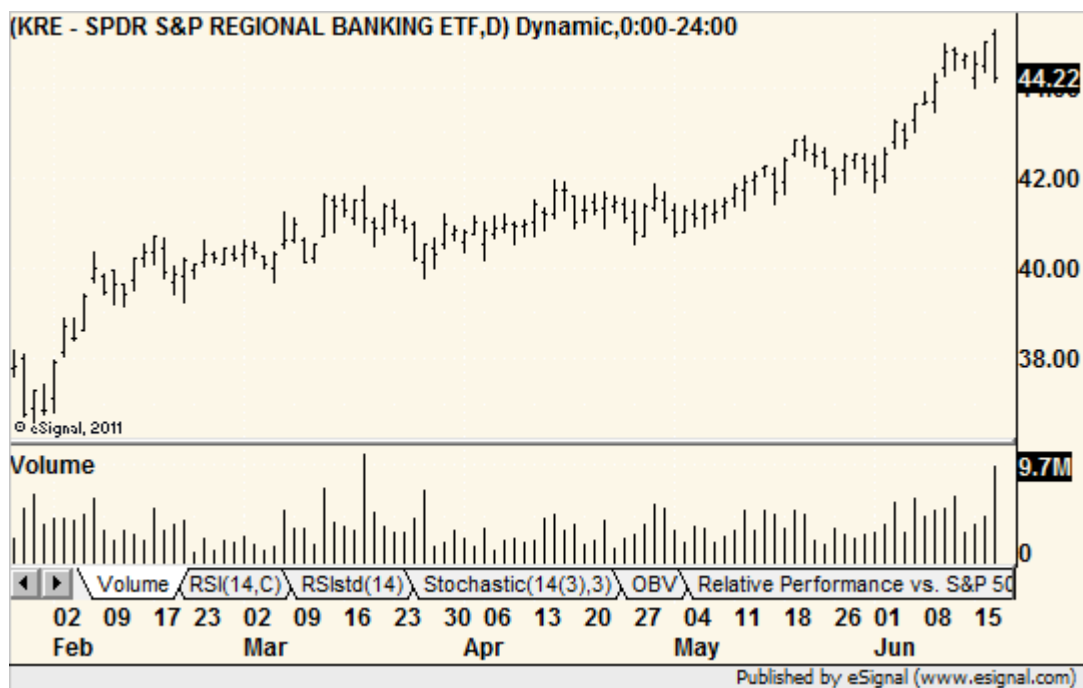
Cal Maine Foods – We rarely publish intraday charts in this section but the hourly looks quite interesting. The daily chart shows this as a high, tight pennant with a bullish bias. If you are a short-term traders this would be quite nice on the breakout.



REITs ETF – It was a strong day for this sector but the trend is still down.



Utilities - Ditto.



Regional Bank ETF – We are not pleased to see this. Key reversal on big volume after the Fed spoke. We still like banks but this gives us pause.

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	87.84	6.1%	85.00	82.80	5/6	42
	KEY	KEYCORP NEW	15.25	3.4%	14.75	14.75	5/11	37
	KBE	SPDR S&P BANK ETF	36.51	5.6%	35.50	34.58	5/11	37
	GM	GENERAL MTRS CO	35.81	-0.8%	34.75	36.11	5/28	20
	XLNX	XILINX INC	46.63	-2.2%	45.75	47.68	5/28	20
<u>Short</u>	FLS	FLOWSERVE CORP	53.30	3.9%	56.00	55.40	5/12	36
	ALL	ALLSTATE CORP	67.18	0.2%	68.00	67.30	6/1	16
	MAR	MARRIOTT INTL INC NEW	77.02	-0.6%	80.00	76.55	6/12	5
	HST	HOST HOTELS & RESORTS	20.11	-1.8%	20.75	19.75	6/15	2
	HA	HAWAIIAN HOLDINGS INC	23.50	-2.3%	24.00	22.96	6/15	2

Notes: Just a little stop tweakage in **FLS** short.

Subscriber Corner

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

This section is for you! Is the lack of questioning a sign of complacency?

Other Information

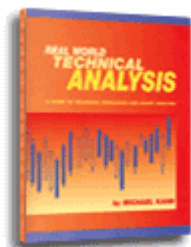
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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