

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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June 22, 2015 – In the words of football coach, sportscaster and gamer John Madden, "Boom!" European markets are soaring as much as 3% intraday on news that Greece put forth yet another rescue package. Who are they to bargain? But hope springs eternal and today stocks are bullish.

On the other side of the world, China was closed but the rest of the region rebounded from Friday's China-led drubbing. But here, there and everywhere global markets are now held hostage by Greece. Forget the Fed news last week as Friday's big decline erased all of it (intraday).



We'll answer our own question. No, it does not. The pullback below the trendline above was still small enough to be allowable. However, the pullback below horizontal support was rather large. We will have to re-think the entire pattern and start with the idea that the market is still in a trading range from the start of the year.

Friday, we said we were still heavy into cash but tilted a little more to the bull side. That still holds true today. We will have to see if the domestic market believes the Greek deal will happen because the premarket gain happened all at once. It faded most of the time thereafter.

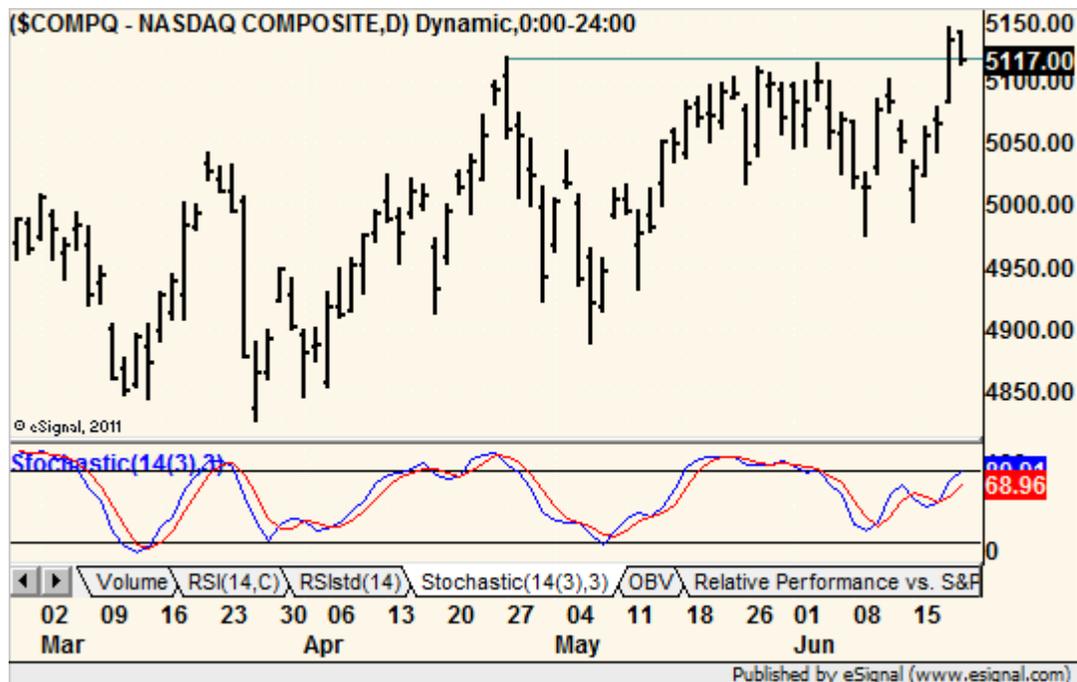
In the bull's favor, we do see the "risk on" markets higher and the "risk off" markets lower – but not by much. And for such a skeptical view, the Radar Screen is heavily tilted to the long side. Go figure. But we go where the setups are.

In summary, it is difficult to make a plan when the markets are dominated by the deal making of a few instead of organic elements of buying and selling based on fundamentals. What? Fundamentals? Yes, it all starts there just like the food chain starts with algae. Figuring out the direction of markets is much better when based on technicals.

Index Charts of the Day



Rejection at the old resistance level. So far this morning it has not been recaptured. We can say that stochastics is not overbought here so that is at least “not bad.”



The Nasdaq fell from an all-time high set Thursday but did not fail to hold a more realistic and practical resistance breakout. Again, this is leading although the XLK tech ETF is lagging. Do not say the “tech heavy Nasdaq” is leading because it is not tech that is pulling the load. It is biotech.

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		
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
IBM –If you liked the MSFT setup then this one is similar. Big tech with a bull flag at support. Buy 169 on close.		6/17
Weyerhaeuser WY – Watching fan lines on this paper stock. How fitting! Buy 33.15		6/17
United Therapeutics UTHR – A nice biotech waiting for the breakout. It actually rallied Friday as the market was weak for a marginal breakout. Buying .		6/19
Henry Schein HSIC – It's not biotech but it is medical (supplies). Range breakout Thursday and minor pullback Friday. Buying .		6/19
Costco cost – This retailer came back to its prior breakout and 200-day average. MACD has a crossover but it would be better to wait for a price breakout. We'll go with a close over Friday's high of 141.48.	New	6/22
UnitedHealth UNK – Inverse head-and-shoulders. Buy the breakout above 122.15. Note rising on-balance volume throughout.	New	6/22
Bearish Implications		
none –		
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. Breakout		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
Cal Maine Foods CALM –The hourly looks quite interesting. The daily chart shows this as a high, tight pennant with a bullish bias. Heading the wrong way. Moving on.	Removed	6/18
Sector Watch (observations that may spark ideas)		
Nasdaq biotech ETF IBB – Still holding on but with a bearish stochastics divergence. Huge upside breakout.		6/11
Updates		
Alkermes – A biotech the ignored Friday's market weakness. We said it had a nice chart but did not buy it. Doh!		
Tekmira Pharma TKMR – Close to a breakout. Sports bullish RSI divergence. However, unlike its peers it fell hard Friday. No longer looks attractive.		

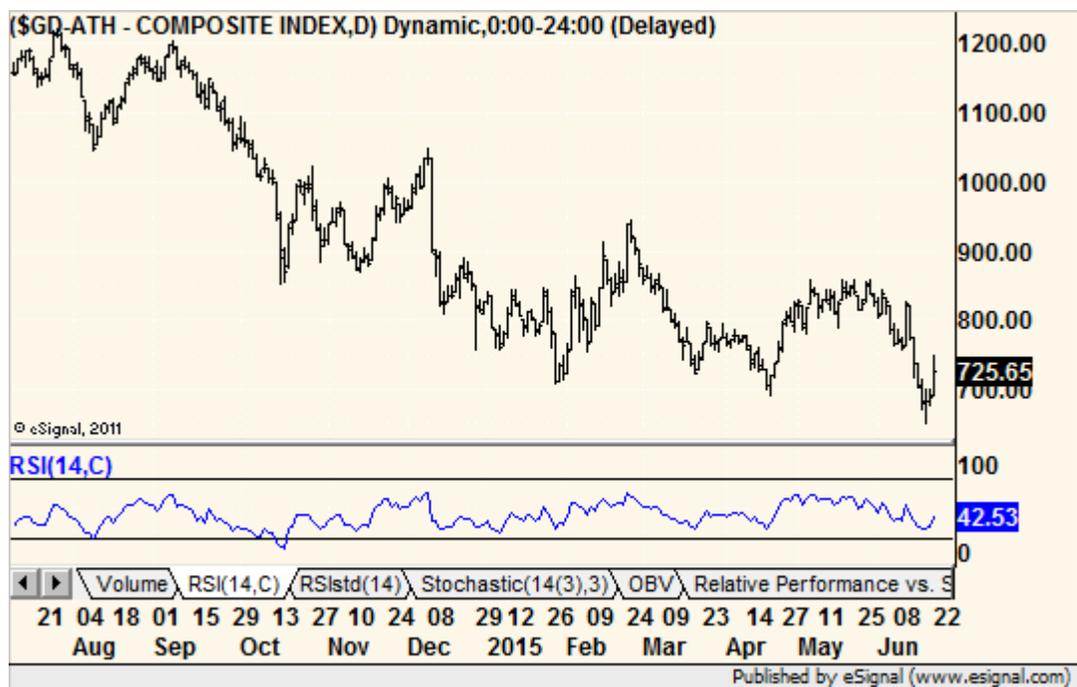
Market Highlights



Costco – This retailer came back to its prior breakout and 200-day average. MACD has a crossover but it would be better to wait for a price breakout. We'll go with a close over Friday's high of 141.48.



UnitedHealth – Inverse head-and-shoulders. Buy the breakout above 122.15. Note rising on-balance volume throughout.



Greece Composite – Not exactly a dead cat bounce since it was not officially oversold but the trend is still down.



Euro ETF – Bottoming pattern. Not much movement after Greece news this morning.

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	88.42	6.8%	85.00	82.80	5/6	46
	KEY	KEYCORP NEW	15.21	3.1%	14.75	14.75	5/11	41
	KBE	SPDR S&P BANK ETF	36.38	5.2%	35.50	34.58	5/11	41
	GM	GENERAL MTRS CO	36.11	0.0%	34.75	36.11	5/28	24
	XLNX	XILINX INC	46.30	-2.9%	45.75	47.68	5/28	24
	MSFT	MICROSOFT CORP	46.10	-0.9%	45.00	46.50	6/18	3
	PG	PROCTER & GAMBLE CO	80.54	0.3%	78.00	80.33	6/18	3
<u>Short</u>	FLS	FLOWSERVE CORP	53.52	3.5%	56.00	55.40	5/12	40
	MAR	MARRIOTT INTL INC NEW	77.64	-1.4%	80.00	76.55	6/12	9
	HST	HOST HOTELS & RESORTS	20.41	-3.2%	20.75	19.75	6/15	6

Notes: none

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

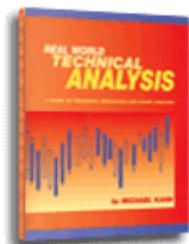
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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