

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

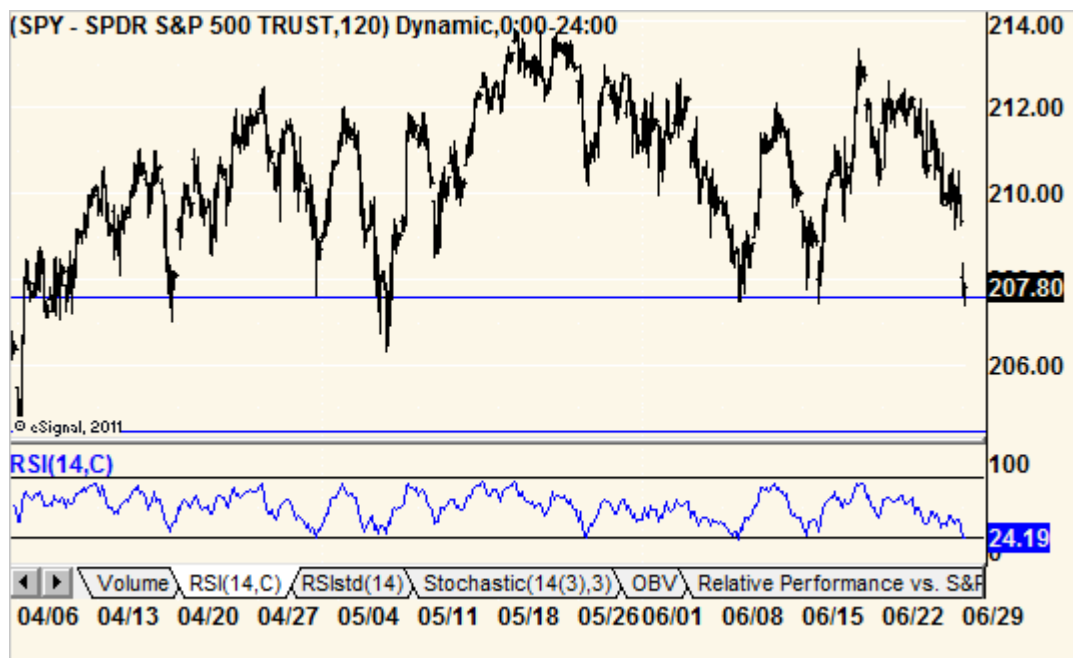
MICHAEL KAHN
RESEARCH LLC

June 29, 2015 – Like the weather in (fill in your city), if you don't like it just wait 10 minutes. June apparently is going to go out with a bang and not in a good way. Start with Greece, which is now in default, move to a rate cut in China which did not work and end with the June jobs report this Thursday due to Friday being a holiday.

Last week, we took the unprecedented step to dump all the stocks we were long in the Advice Tracker if one intraday condition was met. On Thursday, any stock that dipped below its Wednesday close price after 10:00 am NYT was on the chopping block. Every stock, except United Health, was stopped out. **UNH** got an Obamacare boost so it rallied.

Looking at the market today, that was a pretty good move. No way we knew what would unfold over the weekend but the market did – and it left signs for us to follow. Welcome to technical analysis.

Today, we have to watch to see what plays out. The Dow was down over 200 points at one point overnight – not exactly a market collapse - but now let's jump to the intraday **SPY** chart just below.

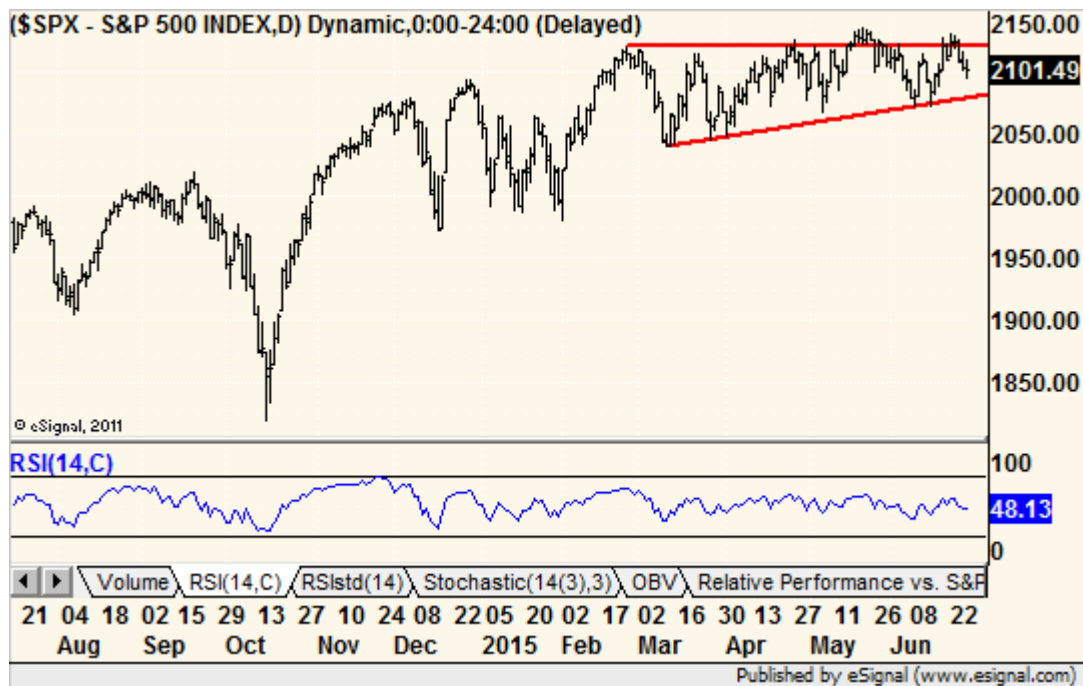


We've turned back to the 120-minute chart and as we can see the premarket decline landed on support. Of course, when moves are vertical as this one, support is a suggestion. Once the day session opens, people could panic and drive it much lower. However, for now this is actually a decent place to scalp a long trade if you have nerves of steel and can reverse positions in a hurry. We do not recommend it to everyone, including ourselves.

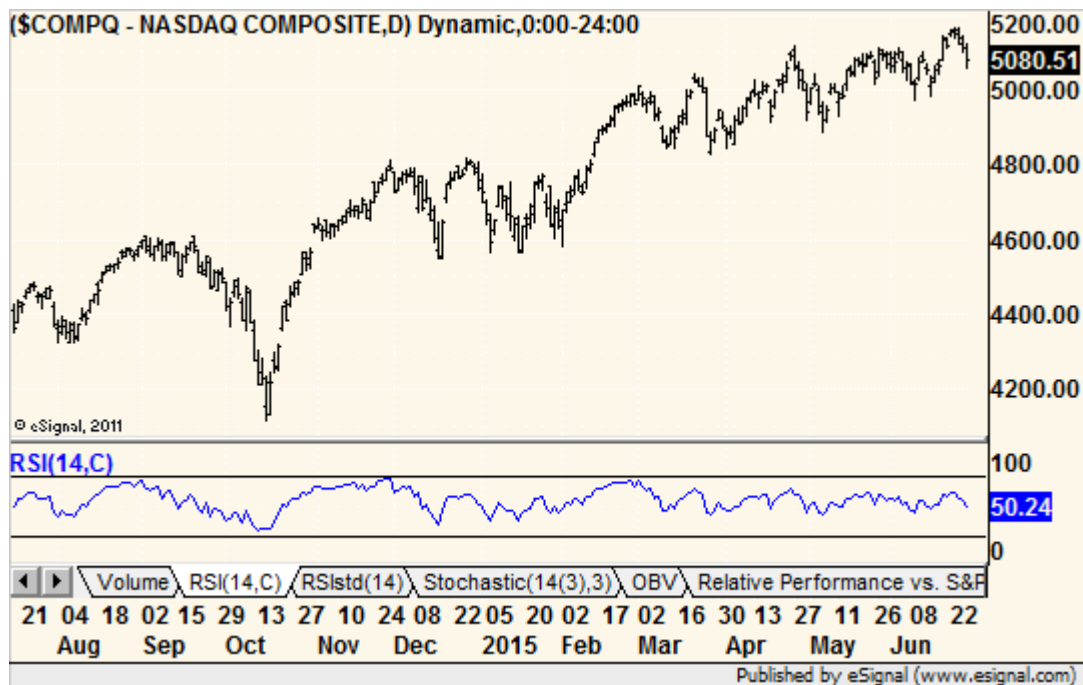
Days like this are almost easier for newsletter writers as there is nothing to do but watch, at least right away. All the sector work and individual stock setups can be negated so the strategy switched to watching how sectors and stocks react here. Will any resist the decline? Will some bounce back immediately? And will some just keep falling? The answers to those questions will tell us where to put money and where to avoid.

We are also looking closely at gold (little movement), forex (huge knee jerk that is returning close to unchanged in the euro) and bonds (jumped up a tad in a fear trade). The world is not ending.

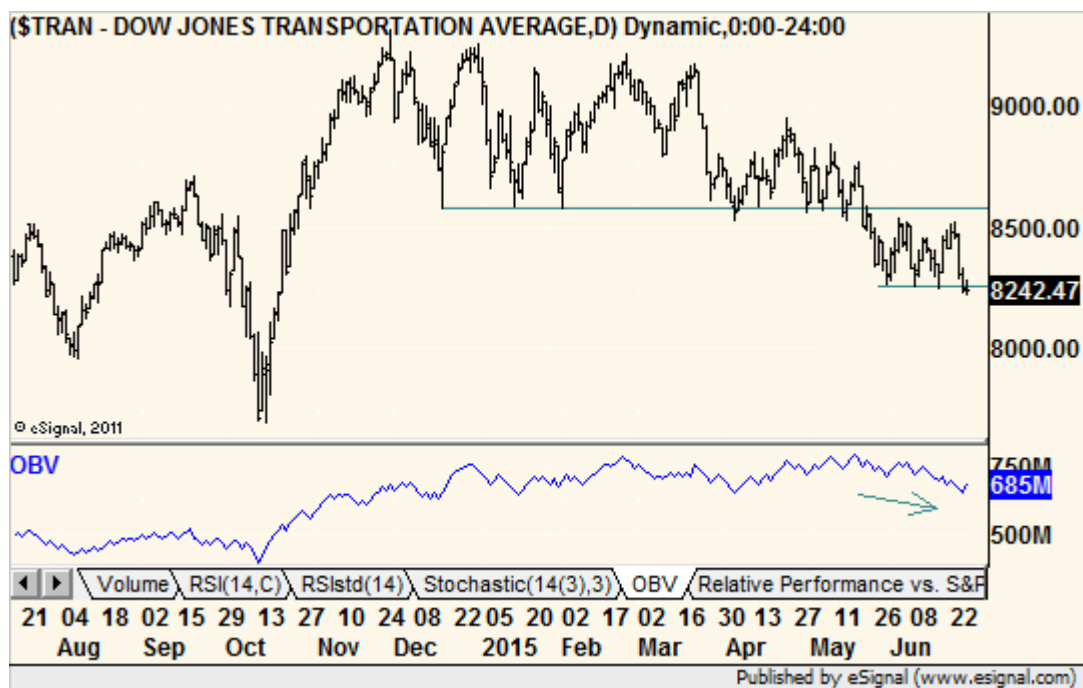
Index Charts of the Day



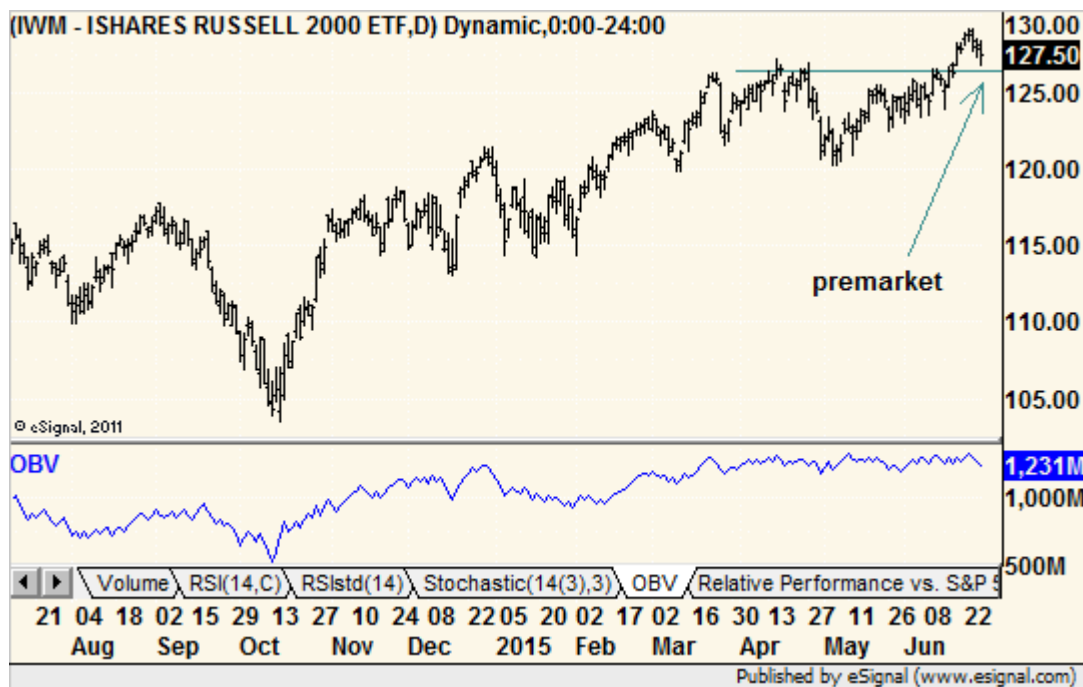
The index dipped back into the pennant and this morning is on the lower border. In the big picture, nothing is really different than it was a month ago. Greece may turn out to be a blip – or a big bear trigger. We just do not know at this time.



We could mark this Nasdaq chart up with all sorts of lines but the simple analysis with just our eyes says that the rising trend is still intact. Momentum is not great but not bad enough to scare us. Therefore, we have to see if the market bounces from the initial fall or not. With that said, we are glad not to be long at last week's prices.



This is a replay of last week's transports chart just with more data. Looks bad but still needs a little more downside to confirm the latest breakdown.



The Russell 2000 ETF still looks OK.

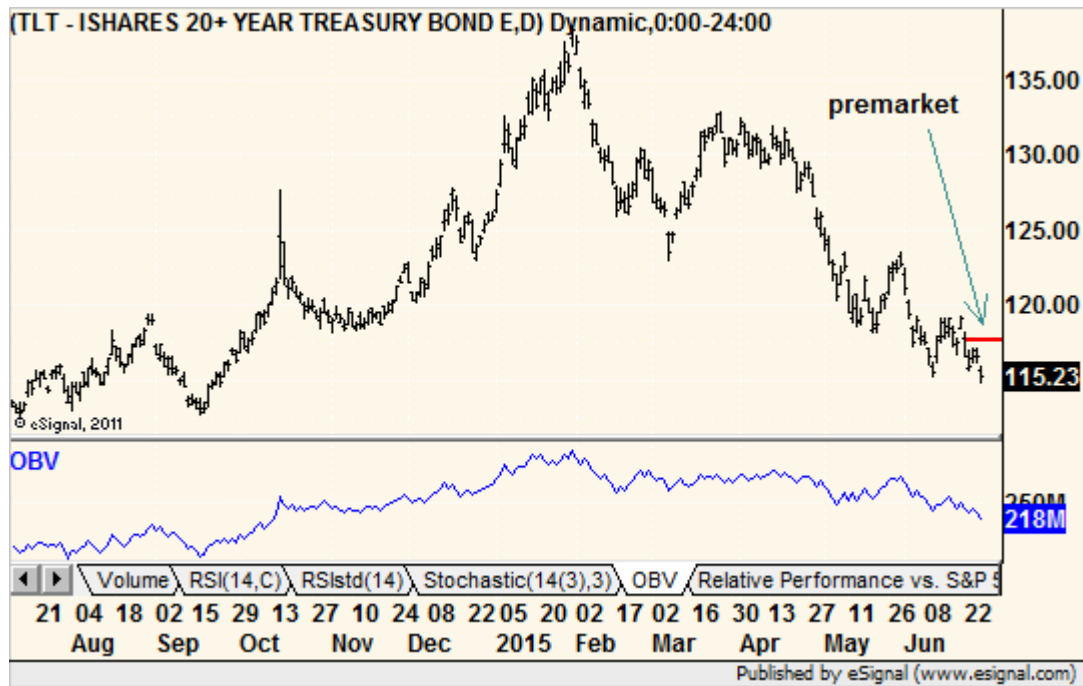
The Radar Screen

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.

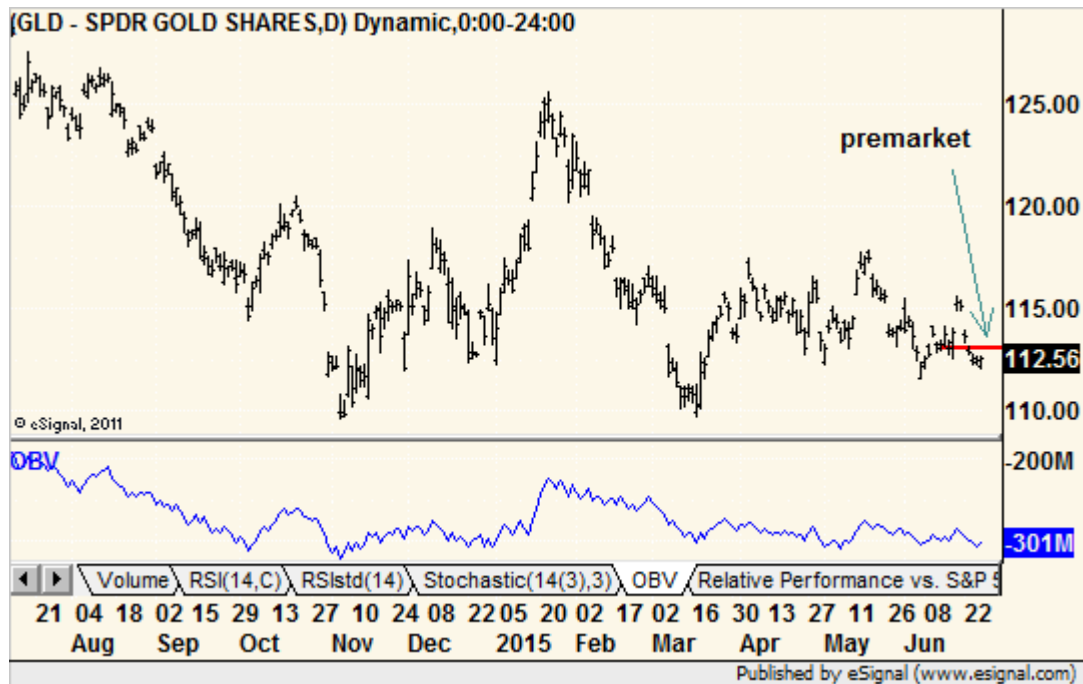
>>> Yes - empty

Bullish Implications		
none –		
Bearish Implications		
none –		
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Long-term setups –SFUN (breakout), AGU, MOO		6/3
Stocks we watched pre-Greece – MAN, SCHW, AXP, CCL, ANF		6/29
Sector Watch (observations that may spark ideas)		
Nasdaq biotech ETF IBB – Huge upside breakout.		6/11
REITs ETF IYR – down trend intact		6/23
Tech ETF XLK - Bear flag breakdown after trendline breakdown.		6/24
Chemicals – Fan lines breakdown in the CEX index.		6/25
Industrials ETF XLI – Pennant breakdown.		6/26
Consumer Discretionary ETF XLY – Stopped at resistance and coming down to test a more important former resistance level. In a vacuum, this is still pretty good. However, we are watching to see if breakout fails as this sector is a leader.	New	6/26
Financial ETF XLF – Crossroads between resistance and rising trendline.		6/26
Updates		
Children's Place – Clothing retailer broke out from yet another bull flag. Will it hold?		

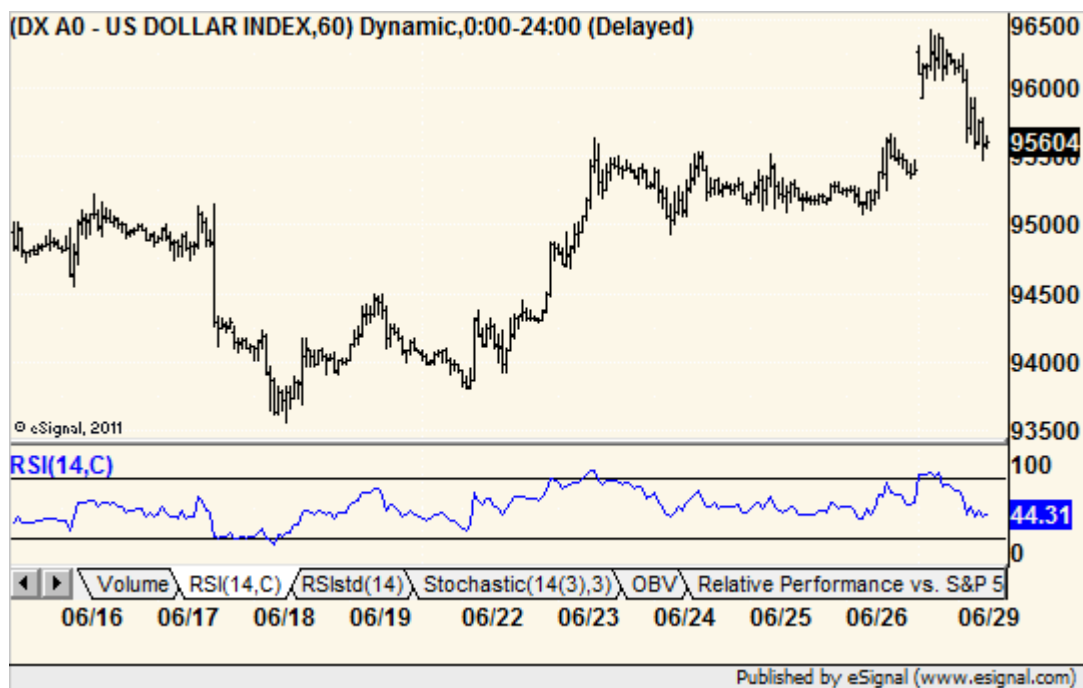
Market Highlights



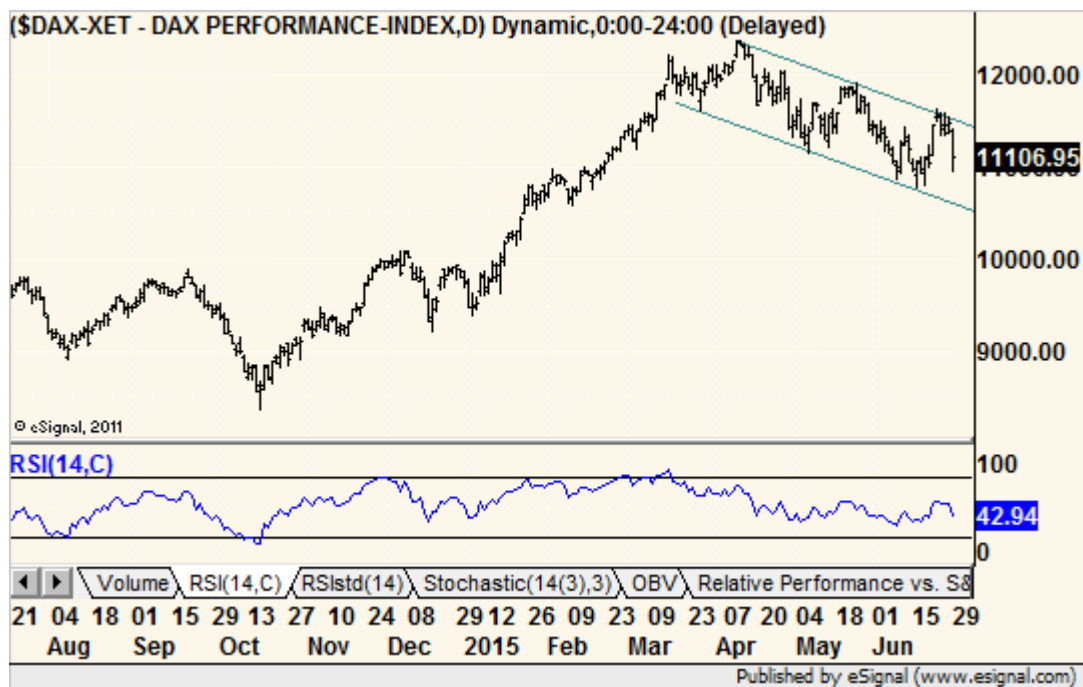
Treasury bond ETF – A little flight to safety bounce this morning but the trend is still down.



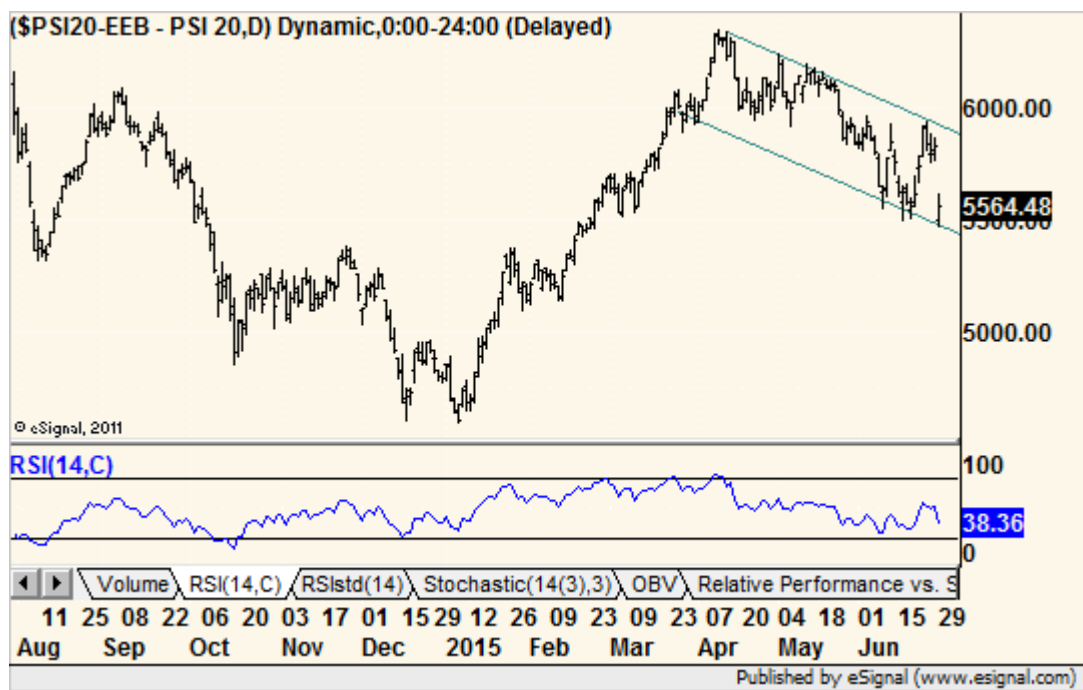
Gold ETF – Not much movement at all. Of course, the dollar soared early to keep the lid on gold and all commodities prices. But now that the dollar faded back gold still has not moved.



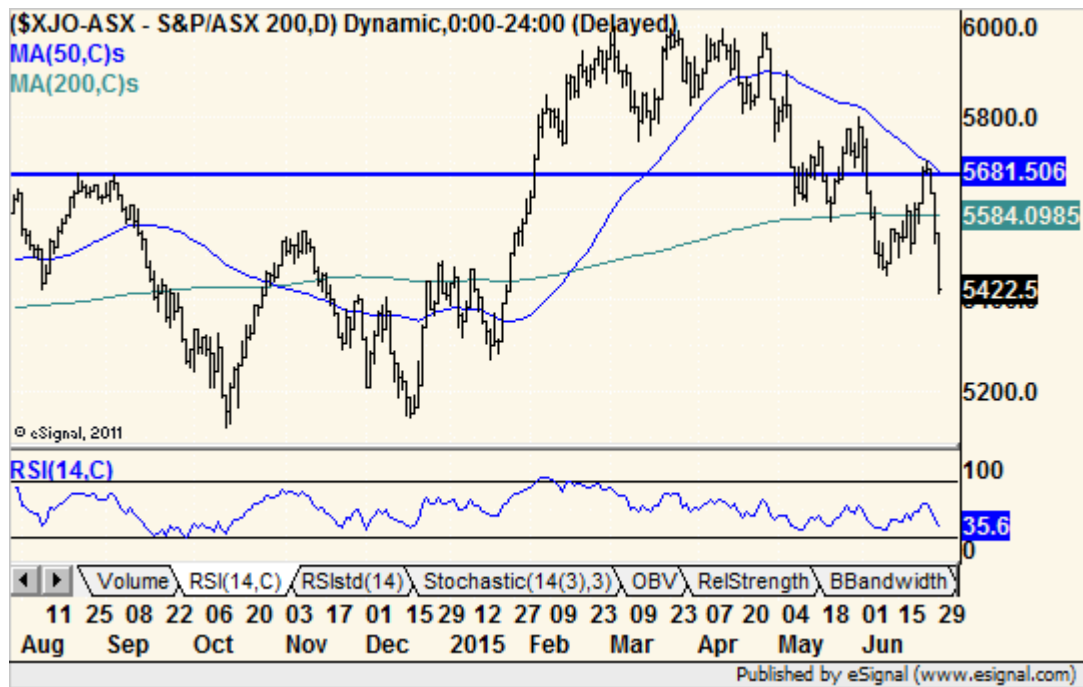
US dollar index – This is an hourly chart. The dollar jumped early overnight as the euro tanked. But that knee-jerk seems to have been reversed as things are back close to flat.



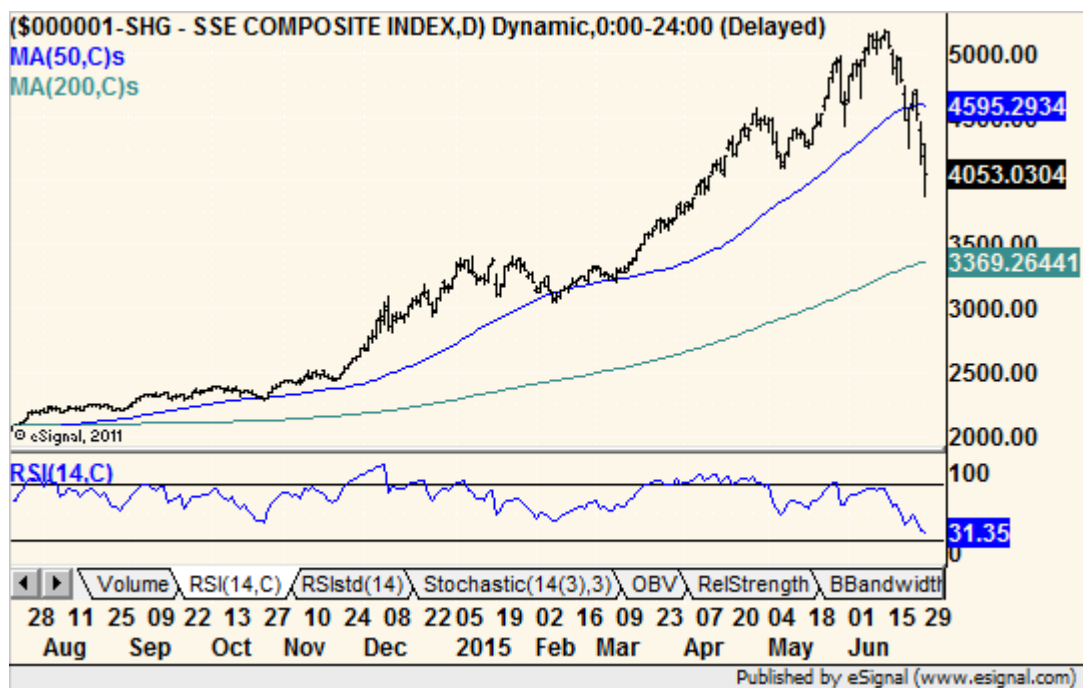
Germany DAX index – Just a big move within a normal flag pattern. Of course, the decline is now similar in length to the rally that preceded it suggesting a new trend rather than a correction in an old one.



Portugal PSE-20 – The PIIGS are back in the minds of the bears. Portugal, Spain and Italy all have 4% losses today and various bear trends like this one. Ireland is in much better shape. Greece stocks are going to be closed all week.



Australia ASX – This looks worse than the PIIGS.



China Shanghai Composite – Ouch. Another 3.3% down. And this AFTER a rate cut. Could this be more important than Europe? It might be.



Saudi Arabia Tadawul – This trades on oil prices although may have a component for the region’s violence. We see this as an indication that oil prices are going to remain low.

Laundry list of things we will watch today and tomorrow:

1. How do the fear markets move? Gold, dollar, bonds
2. Do any sectors resist the fall?
3. Do any sectors bounce back after initial problems?
4. Do any sectors really get clobbered and stay down?
5. How do the other PIIGS hold up? They are bad now but do they bounce?
6. Market volume – panic?
7. Breadth – is it a total purge across the board or not?
8. Sentiment – does it move to an extreme?

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>
UNH	UNITEDHEALTH GROUP INC	122.33	0.1%	118.00	122.15	6/23	5
FLS	FLOWSERVE CORP	52.38	5.8%	54.00	55.40	5/12	47
MAR	MARRIOTT INTL INC NEW	76.02	0.7%	80.00	76.55	6/12	16
HST	HOST HOTELS & RESORTS	20.14	-1.9%	20.75	19.75	6/15	13

Notes: This morning it looks as if our decision last week to dump nearly the entire long side of the Advice Tracker was a good one. Of course, anything goes with a giant gap down open and we have seen intraday reversals many, many times before. This is especially true when the gaps are sparked by overnight news.

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

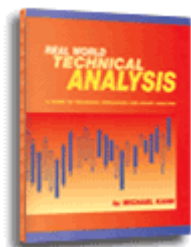
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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