

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

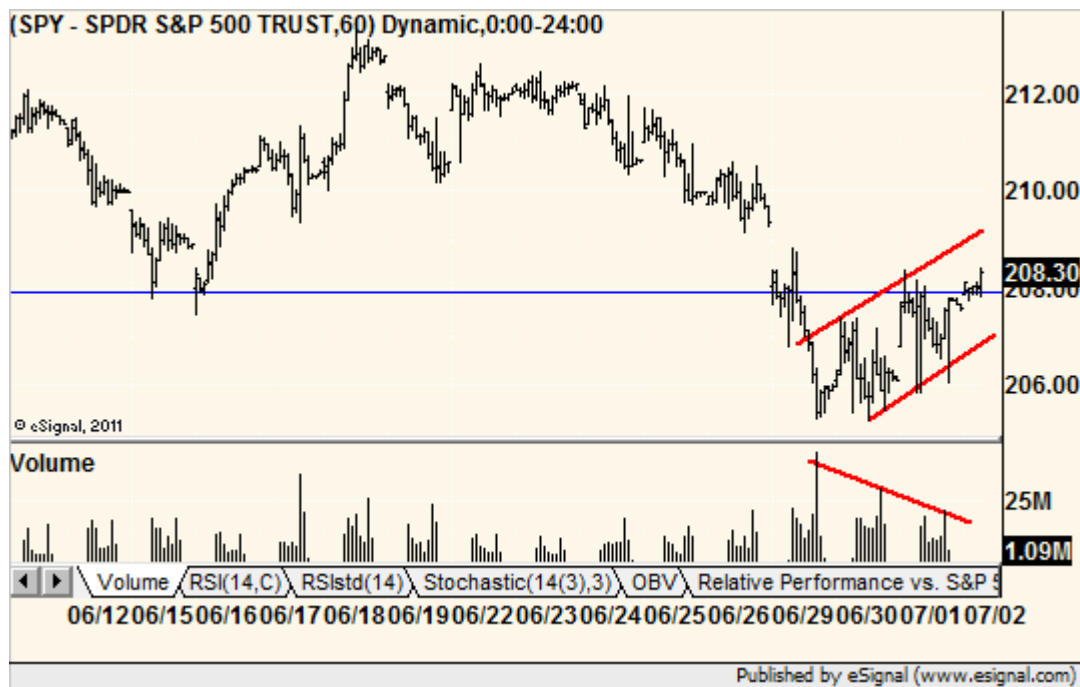
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RESEARCH LLC

July 2, 2015 – The rebound Wednesday was nice but nothing more. Volume came back down and NYSE breadth was a mere +736. We are using the price recovery to look for shorts, yes, even as we bailed out of what we already had yesterday. This is indeed a strange market and any shorts, or longs for that matter, are going to have to have really good setups before we take them.

Otherwise, it feels like a waiting game. Today is the June jobs report released a day early due to the Friday holiday (markets closed, no newsletter). But the real wait is for what happens in Greece over the weekend. How will they vote on the referendum? Will they even have the vote at all? What a mess for such a piddling little economy (the economy, not the country or people). Putting on the opinion hat, perhaps this is going to be a model for what happens in Portugal, Spain and Italy. Or even here in the Presidential race.

In sectors, for the second day in a row gaming stocks were up strong. This was also the sector that kept Hong Kong moving higher overnight as apparently there is something happening in Macau regarding Chinese travel restrictions. However, it is a little early for us to buy gaming after such a bear market there (**WYNN** chart below).

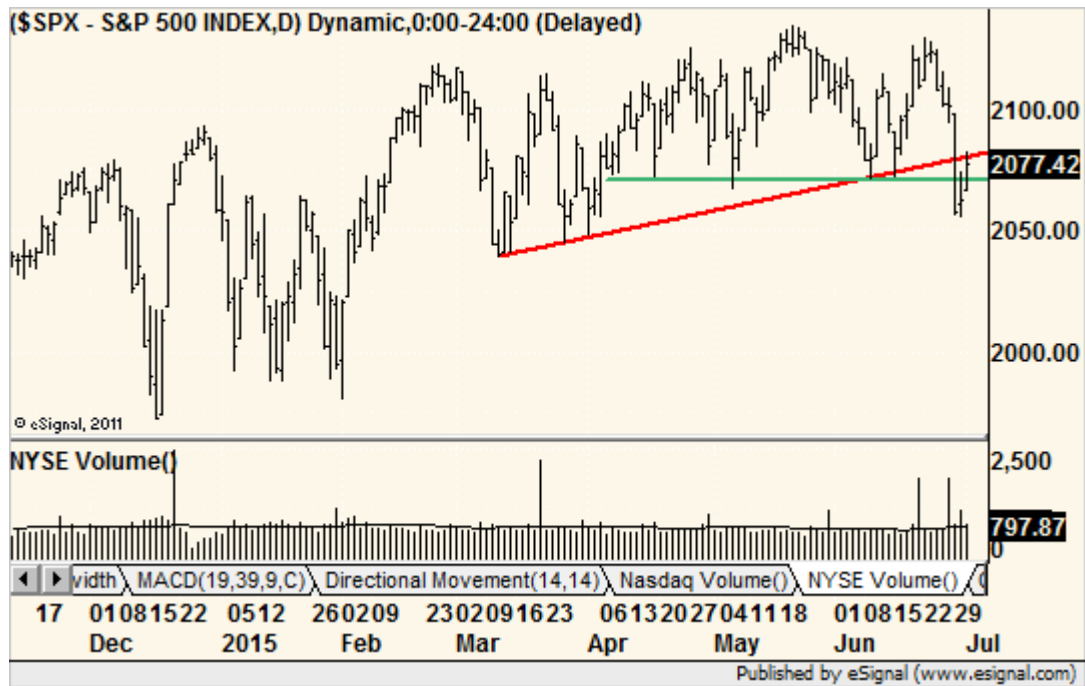
Ob the downside, weak oil sent oil services tumbling. Look for shorts here.



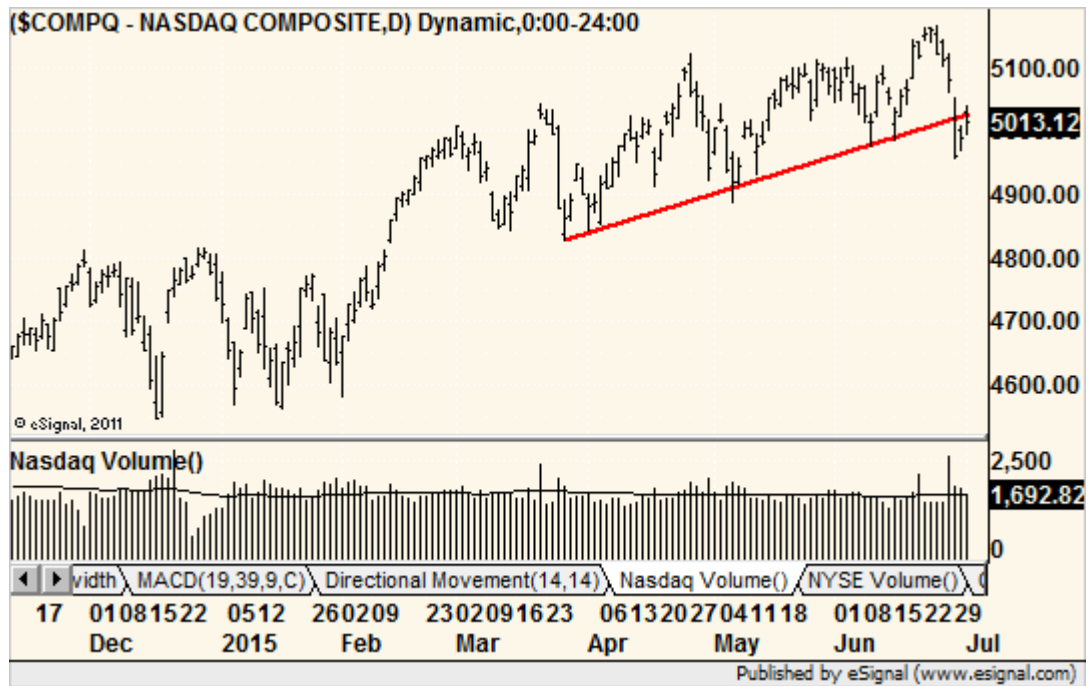
The **SPY** hourly chart looks a bit like a bear flag right now. It has not been able to breach resistance for the past two days but got a slight boost after the jobs report at 8:30 NYT. Watch for follow through.

And China was down another 3.5% overnight – still marching to its own drummer and that drummer is on the highway to hell.

Index Charts of the Day



Still looks like an upward correction.



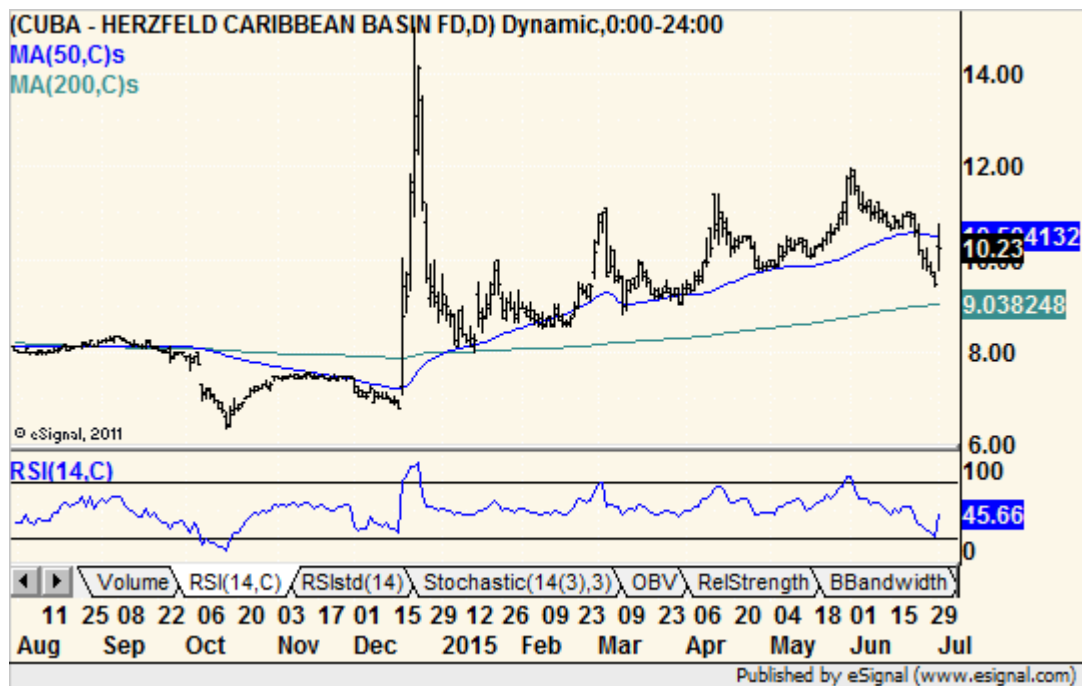
Ditto Nasdaq

The Radar Screen

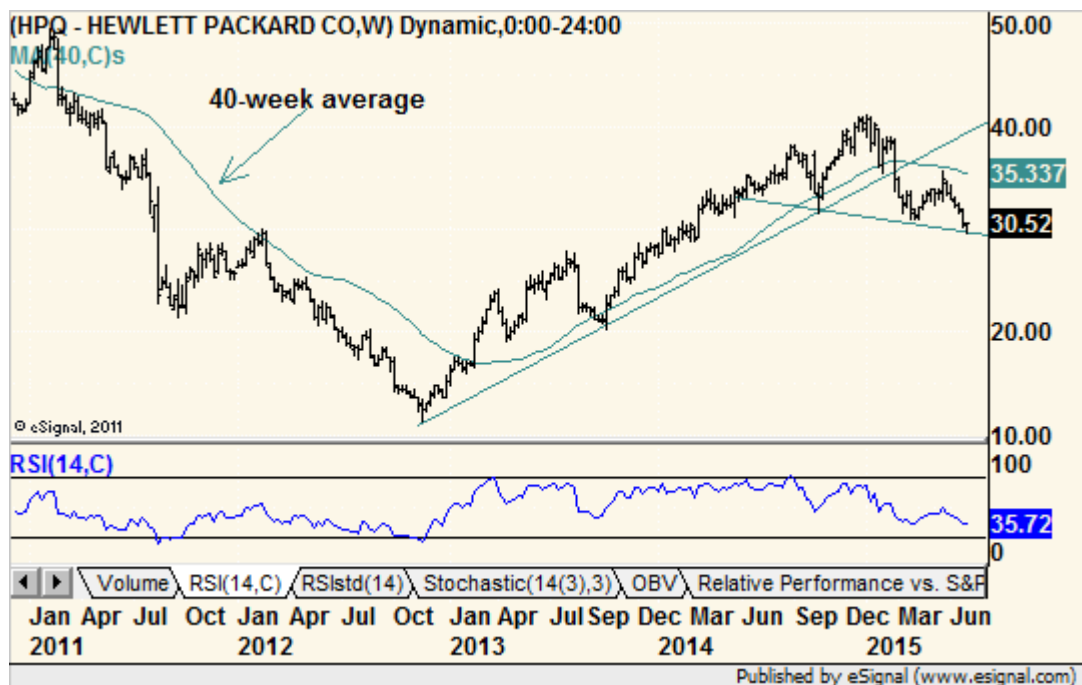
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
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, CCL (these three still look to be easing down to test breakouts)		6/29
Goodyear Tire GT – Looking a bounce within a down channel.	New	7/1
Ashland ASH – Specialty chemical stocks testing support break.	New	7/1
Sector Watch (observations that may spark ideas)		
Utilities ETF XLU – Up with bonds Monday but still looking lousy		6/30
Consumer Staples ETF XLP – Not even this defensive area could resist. 200-day average break unlike last month's.		6/30
Consumer Discretionary ETF XLY – No breakdown but on-balance volume falling.		6/30
Financial ETF XLF – Trend and 200-day average break. Not good, especially for the leading sector as of a week ago.		6/30
Tech ETF XLK –Tech broke again and slipped below the 200-day average.		6/30
Industrials ETF – Serious breakdown of pennant and both averages. Transports are in here.		6/30
Healthcare ETF XLV – Still hanging on to a rising trend. Health insurers leading		6/30
Non-ferrous metals index – Big breakdown on a flat to higher day. This includes the likes of FCX, BHP, RIO, TCK and SCCO.		7/1
Updates		
none –		

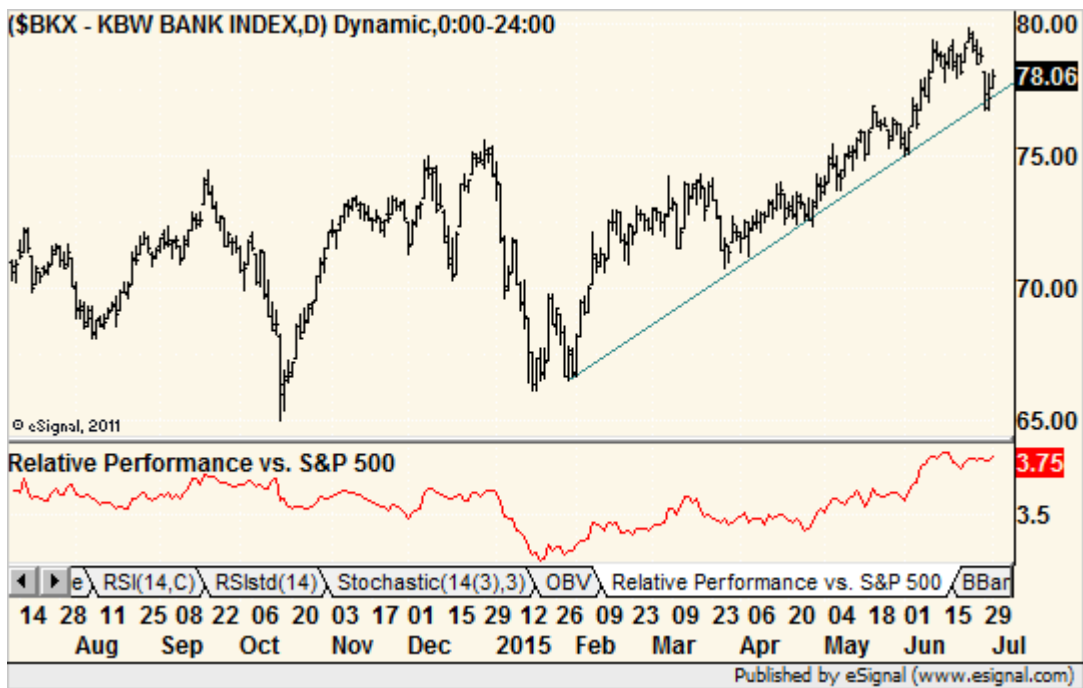
Market Highlights



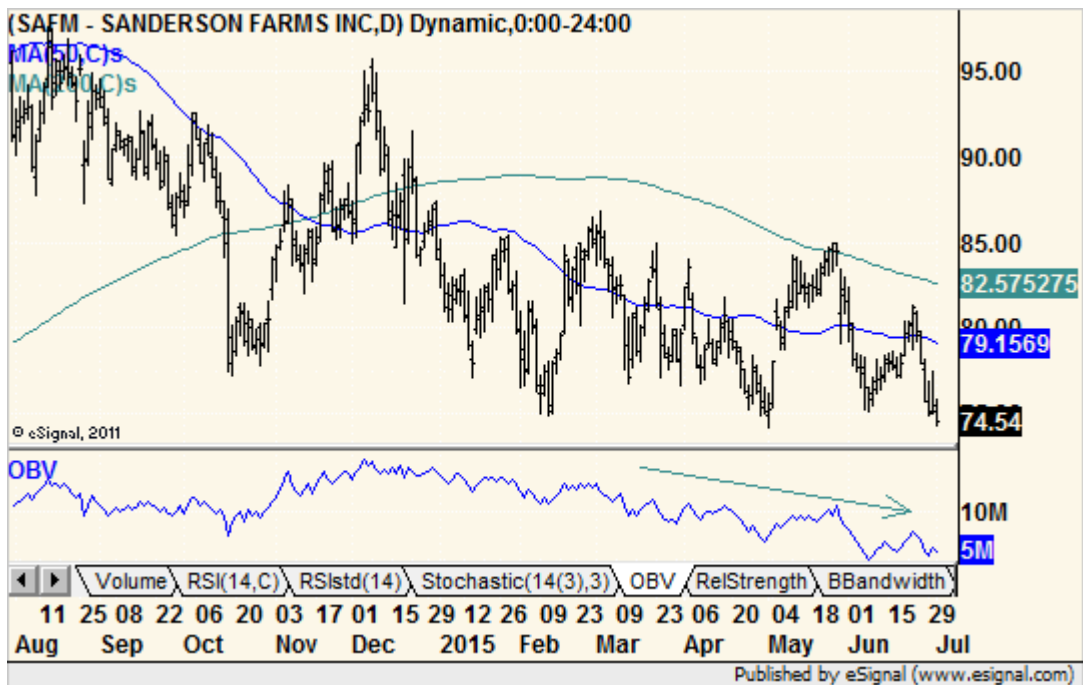
Caribbean Basin Fund CUBA – This ETF does not have any Cuban assets but it holds companies that should benefit if trade opens up with that country. It is half USA. Copa Airlines (CPA) is also big. I know this is a real airline (and United partner) as my daughter just flew it to Panama. This chart shows a big rebound after yesterday's news but we worry that the trend is wrong.



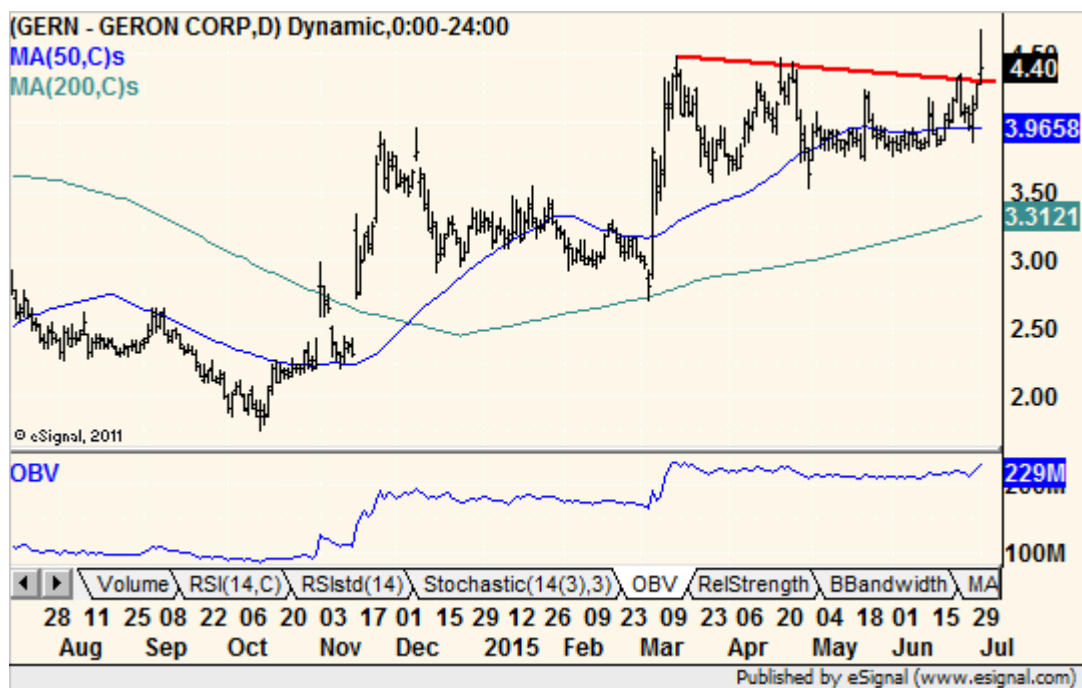
Hewlett Packard – Looking nasty long-term. Sell the bounce.



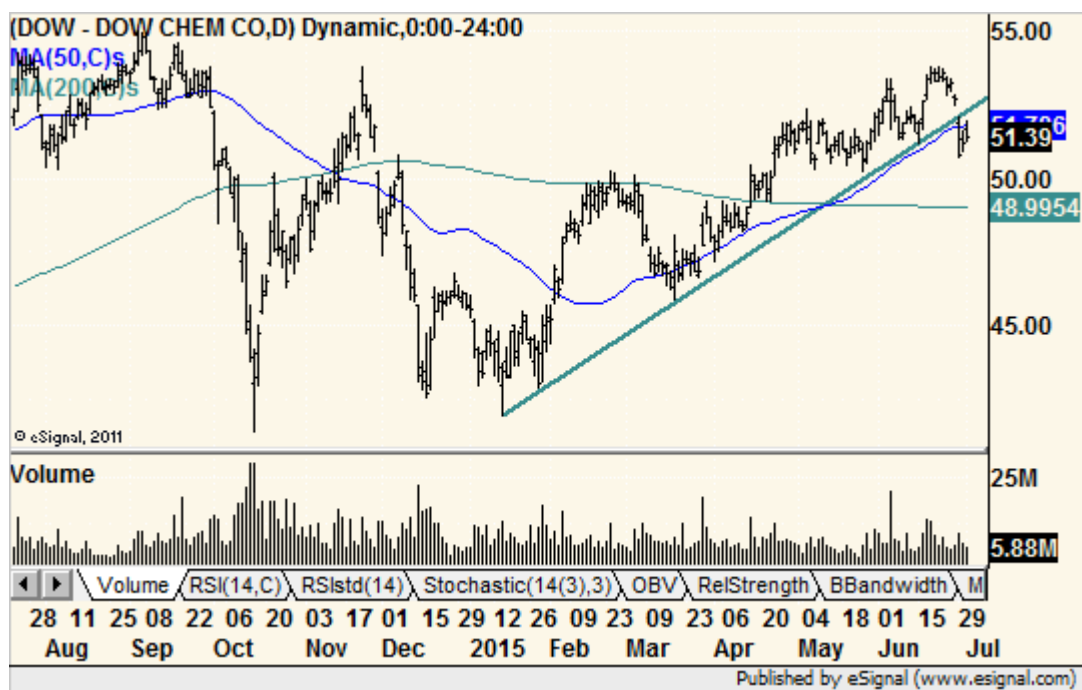
Banks index – Was that the correction? Hard to buy in front of a potential Greek banking system collapse even though there are not Greek banks in the index.



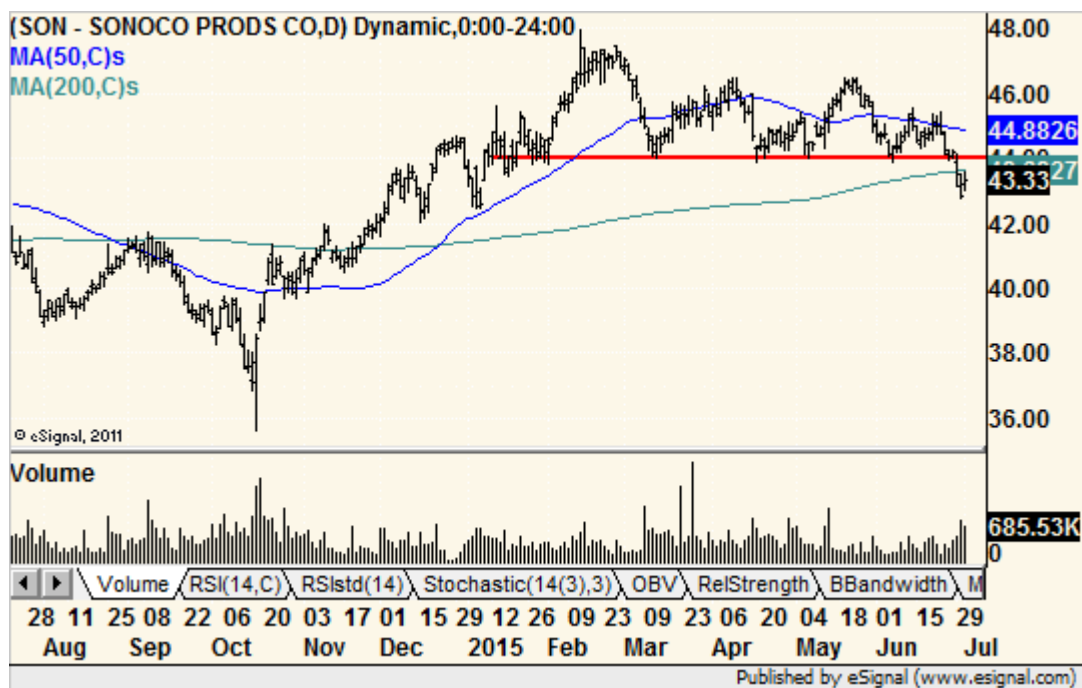
Sanderson Farms – Falling on-balance volume suggest support will break.



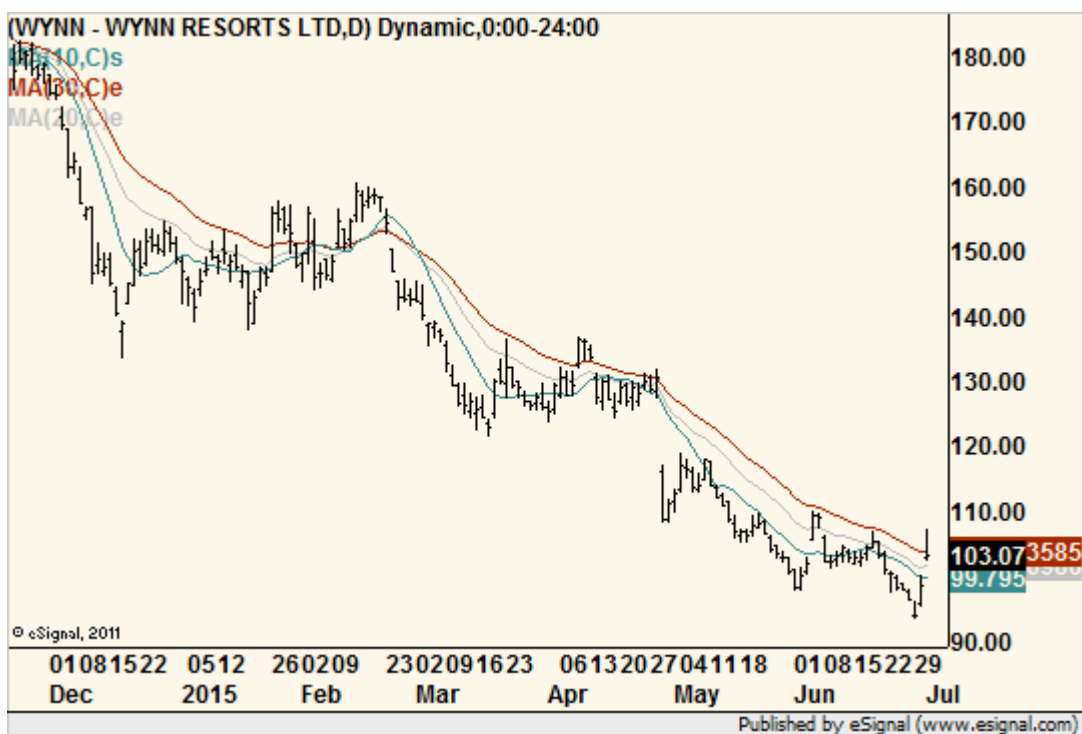
Geron – For biotech fans. We do not like the early pop and drop but it is holding up today.



Dow Chemical – We mention it this week but here is the chart. Looks sellable on the test of the breakdown.



Sonoco Products – This is a packaging stock (unlike Sonoco the oil company). Sell the test of the breakdown.



WYNN Resorts – A gaming stock with a nice two-day rally. It is up again this morning but we'd like to see at least a crossover of these short-term averages.

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. Symbols in **green** were closed by us. 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	123.38	1.0%	118.00	122.15	6/23	8
FLS	FLOWSERVE CORP	53.01	4.5%		55.40	5/12	51
MAR	MARRIOTT INTL INC NEW	75.22	1.8%		76.55	6/12	20
HST	HOST HOTELS & RESORTS	20.60	-4.1%		19.75	6/15	17

Notes: We covered all shorts yesterday before the open and of course HST jumped up to basically screw us. Why such a commentary? Because it stayed up there for one minute before falling back. We are constrained to trade only in the regular session so we hope subscribers were able to cover in the premarket.

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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