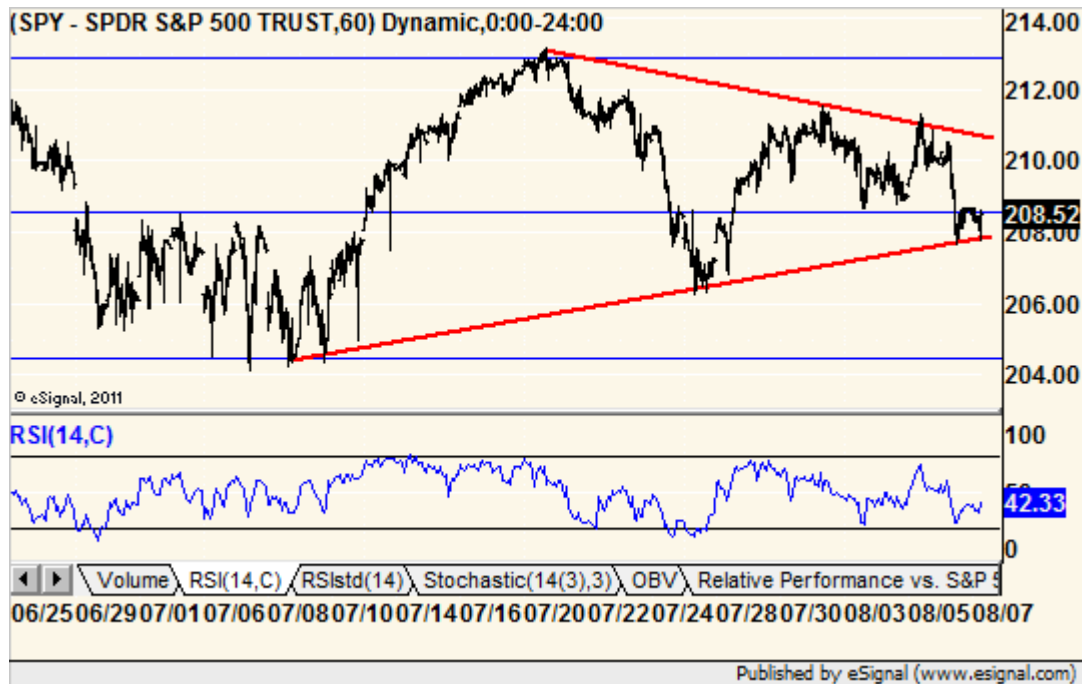


QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

MICHAEL KAHN
RESEARCH LLC

August 7, 2015 – Anticipation of bad news sent the market lower yesterday and all was quiet before jobs this morning. And then it happened. We don't even know if the numbers were good or bad and whether that means the Fed will delay or not delay. All we know is the market reacted with dollar strength and stock weakness. Neither, at least at this point in the premarket, did any real technical change.

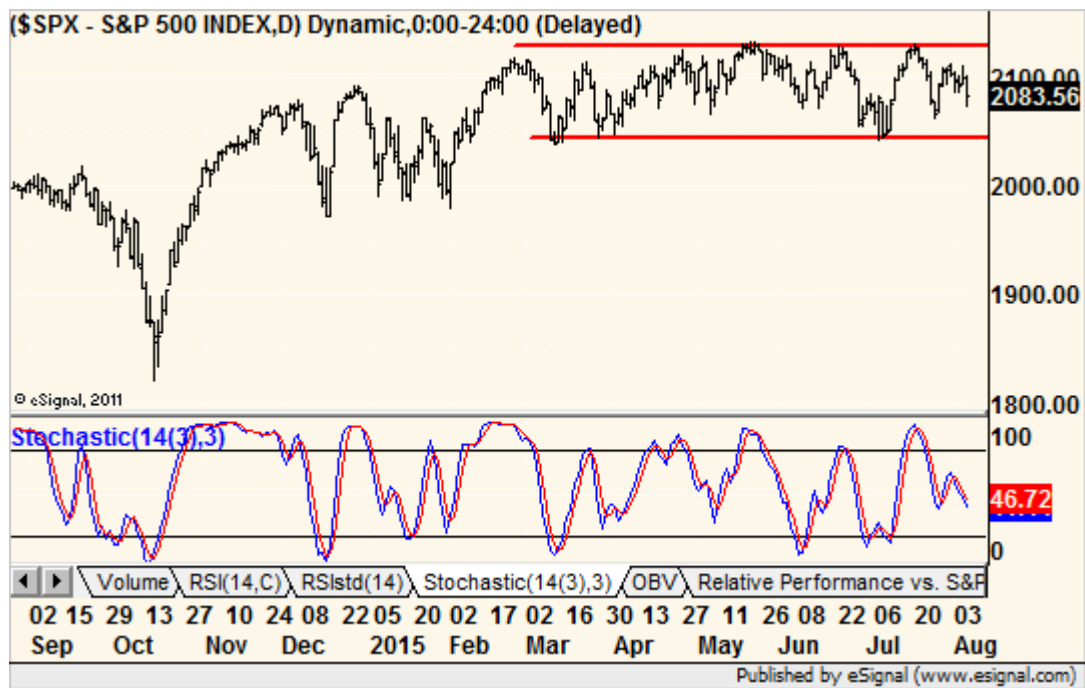


Just look at the intraday **SPY** chart. Yesterday, as the market was mini-plunging, I tweeted that it was all crap until the jobs report. Price bounced off the red line but was stopped by the middle horizontal line. This morning it is once again on the red line. If it follows through to the downside by, say, 10am, then we will have a breakdown.

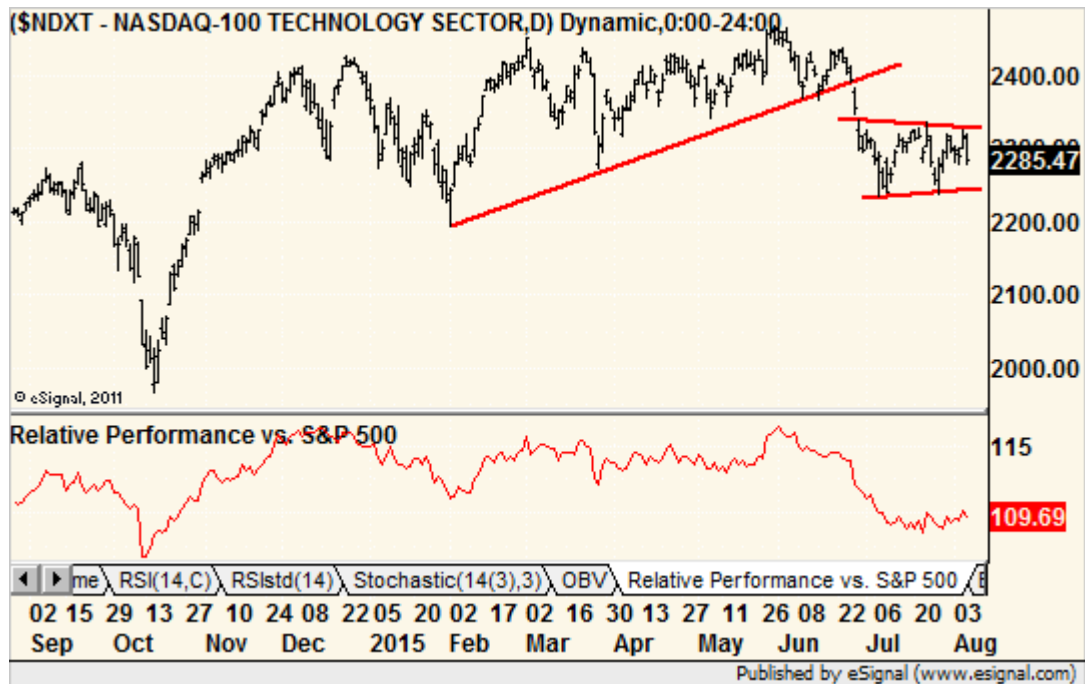
Let's talk generals. Our list of seven key leading stocks changed for the worse yesterday with breaks in **GILD** and **SBUX**. And **FB** scored a rather sizeable bearish outside-day reversal. **AAPL**, as we know, is already broken. This all is not a clear sell signal for the market but it certainly does not help. If **NFLX** drops then we will say game over even though **AAPL** is by far more important.

Although the initial knee jerk to jobs (lower) was jerked the other way (higher) in the premarket, we think the market is quite unhappy. Cash is good. A few selected shorts are good. Whole hog short is probably premature as long as the S&P 500 holds its range (see below).

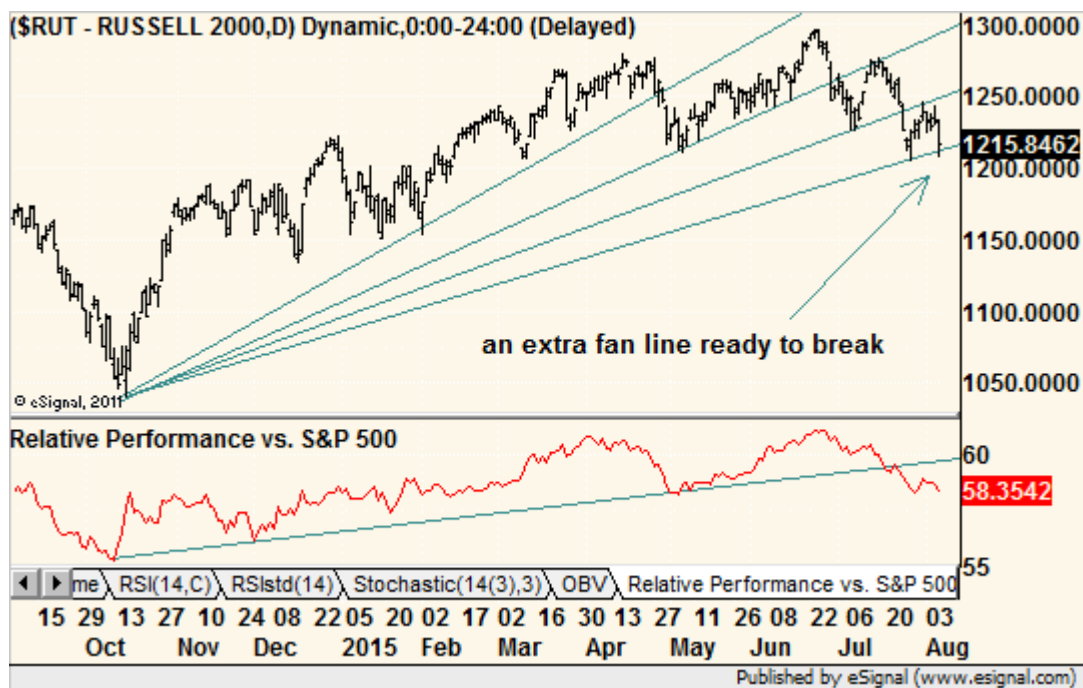
Index Charts of the Day



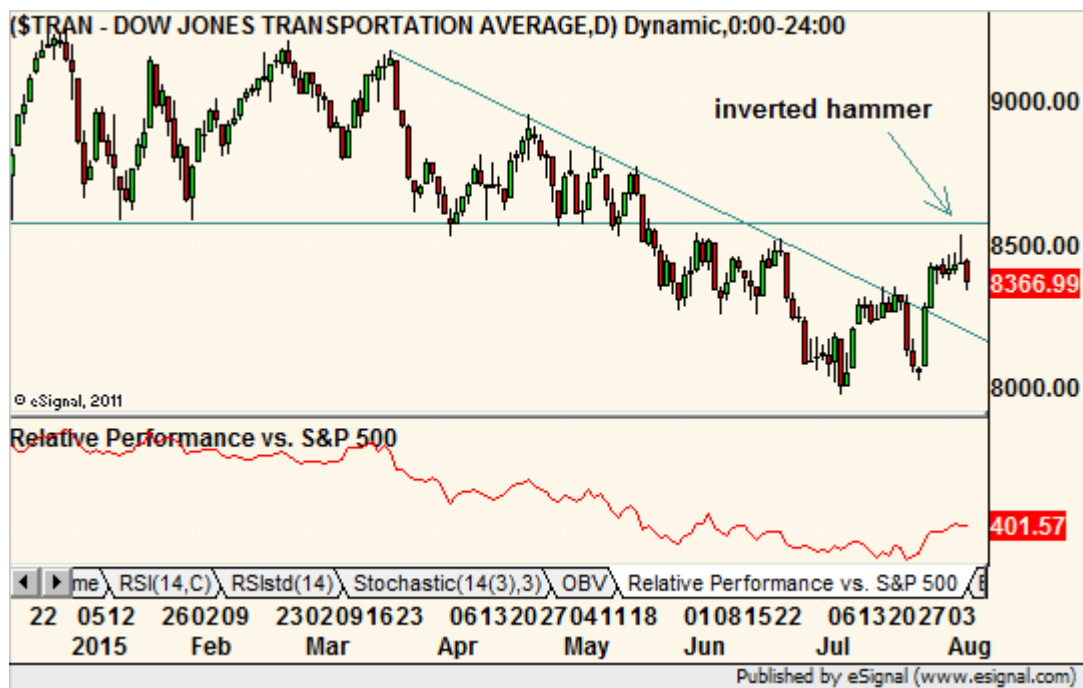
The last index standing.



The Nasdaq-100 tech index still looks like a bearish consolidation.



Looking weak. Will jobs save it?



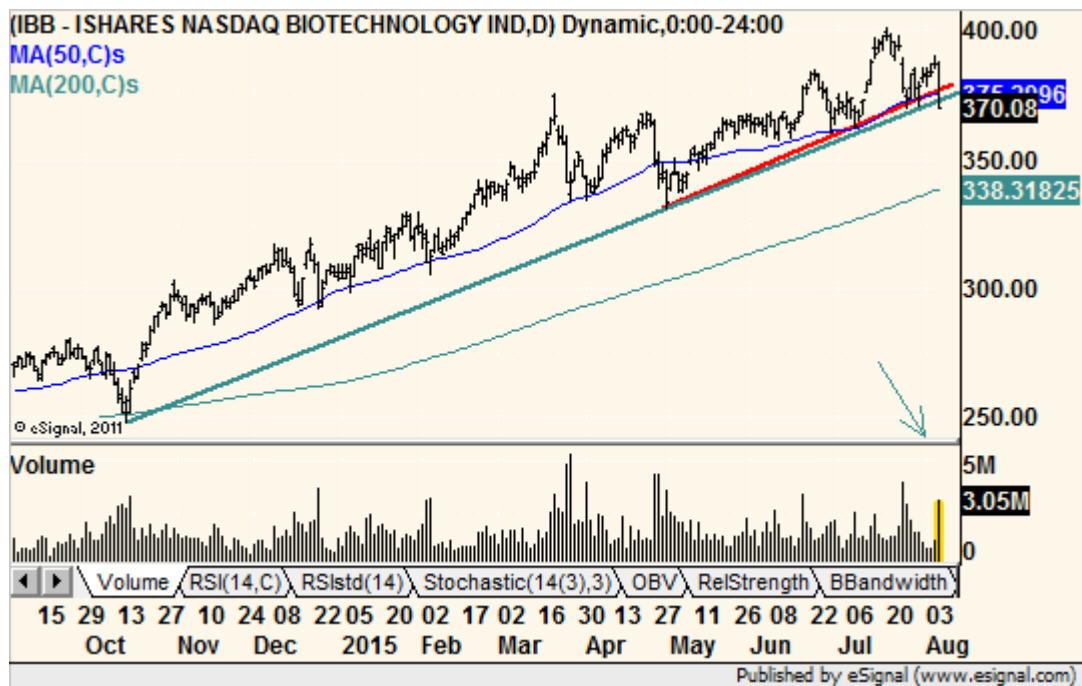
The transports may have broken the trendline but resistance looms large. It already turned the index back once.

The Radar Screen

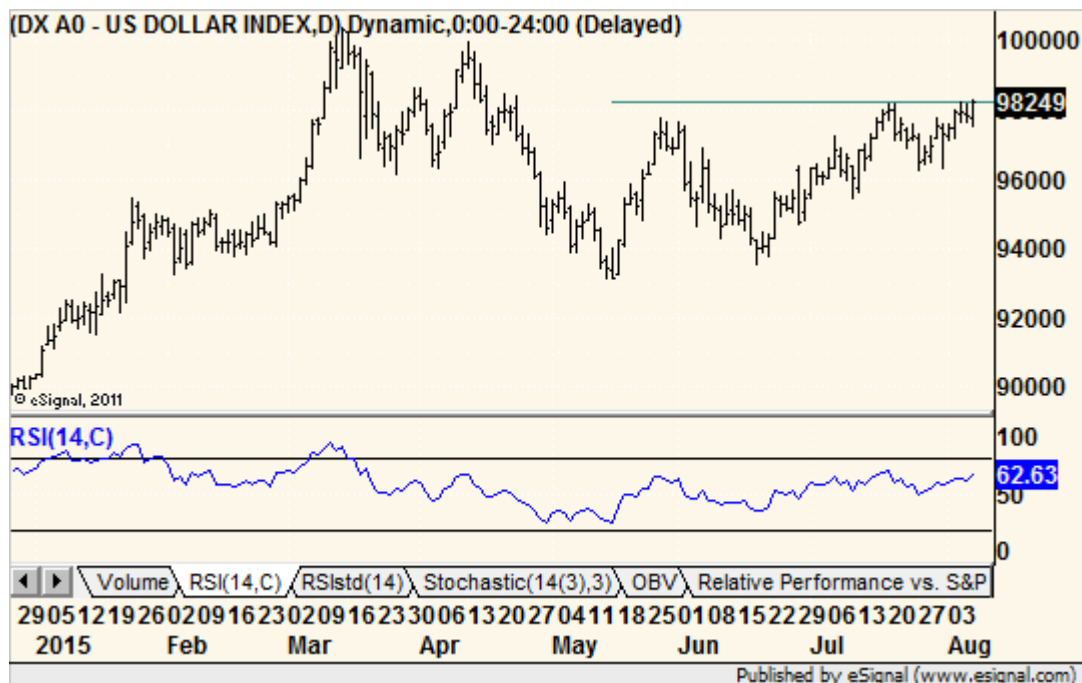
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
Analog Devices ADI – I panned semis Monday for Barron’s Online. Here is one ready to break a flag and 200-day average. Sell 58. <u>Still valid but yesterday’s rally put it far away. We’ll leave it here for a little while.</u>		8/5
Intel INTC – Waiting for a test of a weekly head-and-shoulders to sell. It is time to sell.	Moved	7/28
Unknown Implications		
none –		
Holding Tank – red shade leans bearish, green shade leans bullish		
Intel INTC – Waiting for a test of a weekly head-and-shoulders to sell.		7/28
Rangold GOLD – We just looked around the sector – which is still not bullish even though I think it has capitulated – to see stocks with positive earnings. This one has fairly strong support. Just lookin’, not buyin’.		8/3
Nasdaq biotech ETF IBB – The last divergence did not work but this one seems better. Still have to wait for a trend break. Ruh roh!	Changed	8/4
Coach COH – Rocked Tuesday by earnings the stock may have overcome the bad news with huge volume. We are going to wait for a follow through day here bit this looks interesting.		8/6
Taser TASR – Apple looks like Taser did a few days ago. Taser is now below support (gap, target, 200-day average) but we are not convinced just yet it will hold. Of course, we have to give it the benefit of the doubt. Let’s see if it does anything positive today <u>to create a breakdown failure.</u>		8/6
Viacom VIAB – A classic look of a selling climax. That does not mean it is a buy but it could be soon. <u>Good thing as it “climaxed” some more.</u>		8/6
Keurig Green Mountain GMCR – We don’t get it. I singlehandedly keep this company afloat. But on the chart we see a plunge after earnings but not a selling climax. It had been recovering so this is just a smack down. With that said, it is in a wide support zone with a possible overshoot of chart support. We are not buying now but it is also interesting.		8/6
Sector Watch (observations that may spark ideas)		
The Generals – AMZN, NFLX, GOOGL, AAPL, GILD, FB, SBUX. (Colors represent current state) Reversals or breakdowns in GILD, FB, SBUX	Changed	7/27
Defense index DFI – A declining channel presents clear boundaries.		7/31
Retail ETF XRT – Looking dicey. Waiting for the breakdown. Looks like it		8/3
Updates		
Walmart WMT – Just broke 50-day average to the upside		

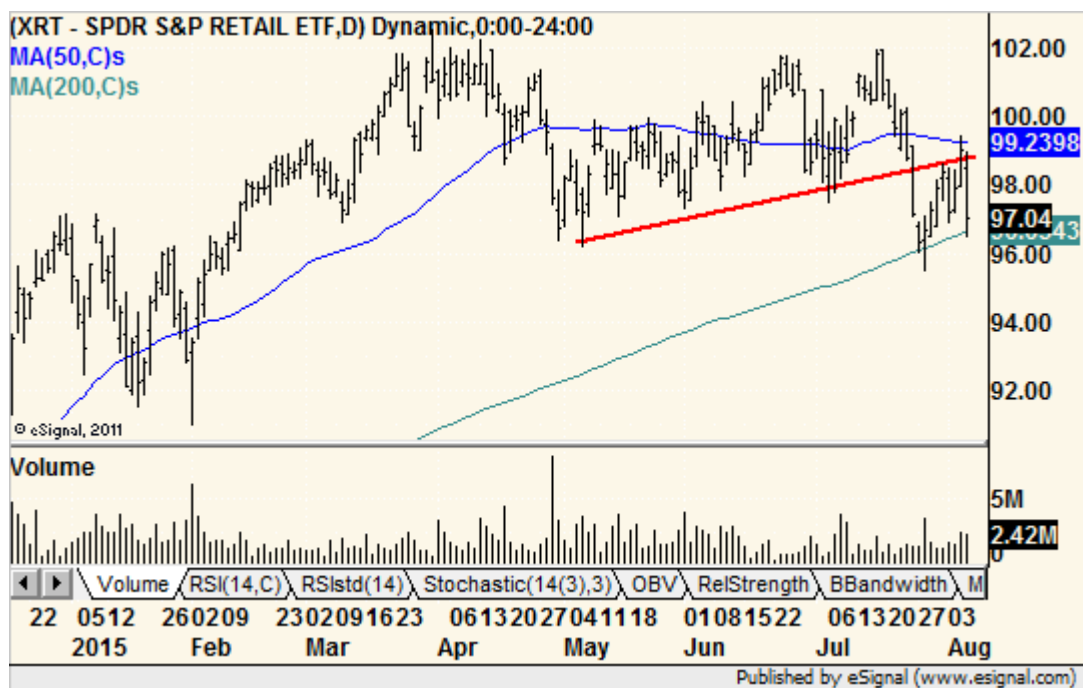
Market Highlights



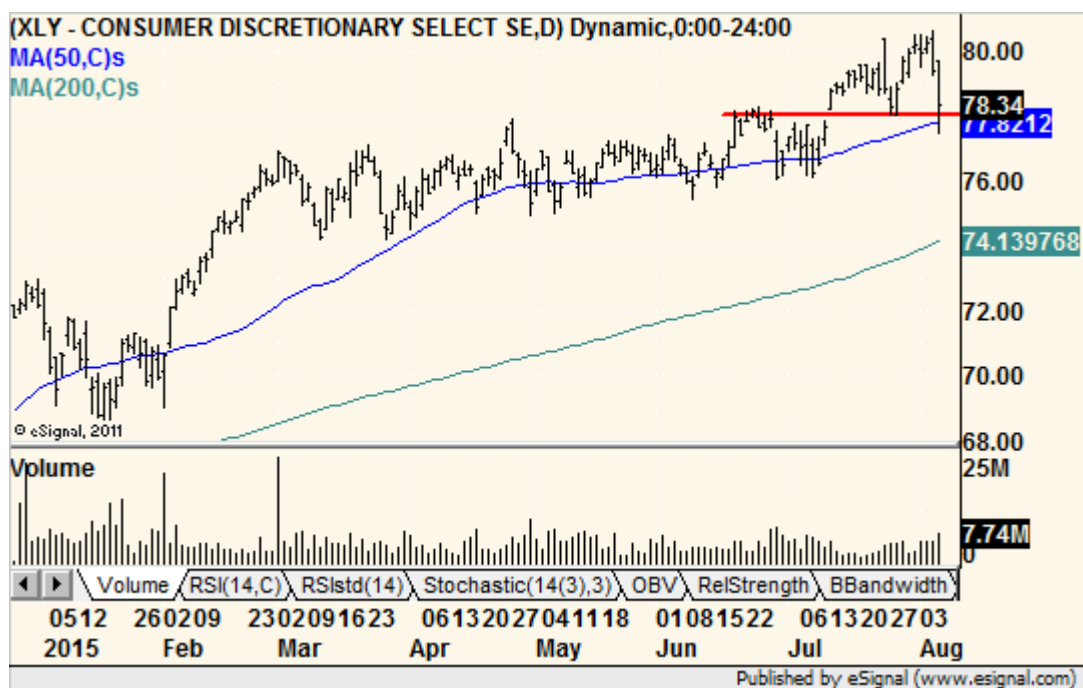
Nasdaq biotech index – is it a breakdown or not? Looks that way although it is up slightly in the premarket. One more bad day, however, and the bears really take over.



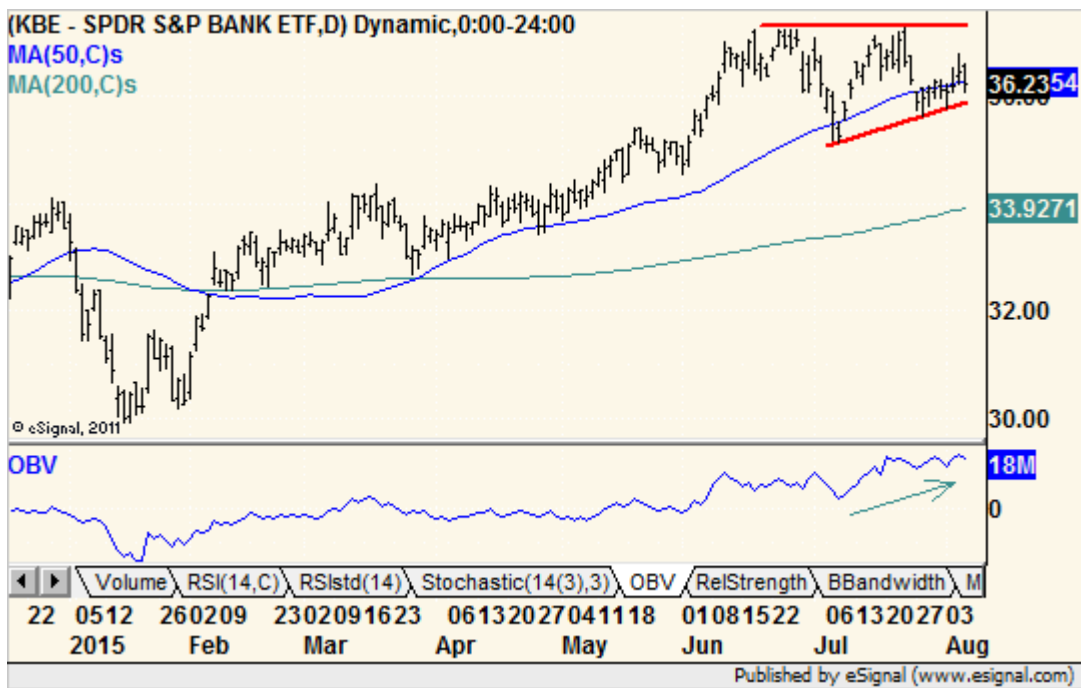
US Dollar Index – On the verge.



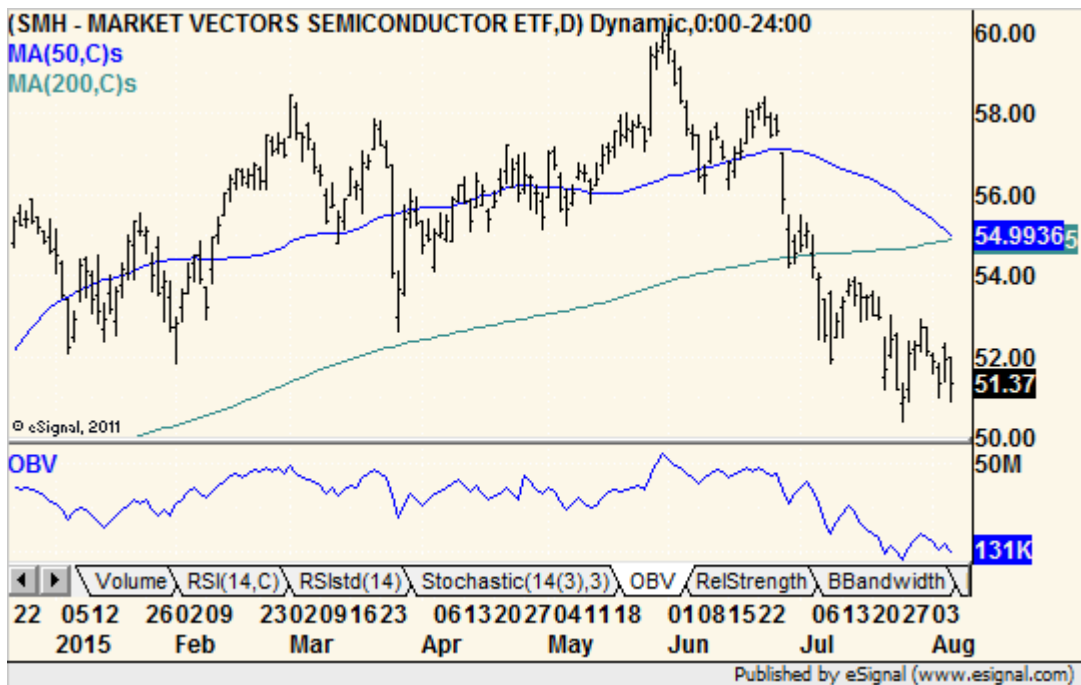
Retail ETF – Breakdown and test. Any lower and it jumps off a cliff.



Consumer Discretionary ETF – Retail is in here and it has failed to hold its breakout.



Banks ETF – Ascending triangle pattern with rising on-balance volume makes this one of the few good looking sectors. Banks should like rate hikes and rising long rates.



Semiconductors ETF – You already know we are bearish here. Look what is about to happen on the chart. A death cross.

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>
<u>Long</u>	MO	ALTRIA GROUP INC	55.57	7.1%	53.50	51.90	7/16	21
	DIS	DISNEY WALT CO	107.00	-3.5%		110.83	8/5	1
<u>Short</u>	DLPH	DELPHI AUTOMOTIVE PLC	77.37	3.3%	79.50	79.92	7/16	21
	HPQ	HEWLETT PACKARD CO	30.14	0.7%	31.50	30.34	7/17	20
	URBN	URBAN OUTFITTERS INC	32.37	8.1%	34.25	35.00	7/21	16
	ACM	AECOM	30.44	-0.8%	31.25	30.19	7/24	13
	NYT	NEW YORK TIMES CO	12.80	2.3%	13.50	13.10	7/27	10

Notes: Well, the Disney experiment ended and we were stopped out before it got too bad.

Trailing stop in **NYT** lower.

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 the John- Rather than find the newsletter reference; here is the article I wrote for MarketWatch on big oil. <http://www.marketwatch.com/story/smart-players-will-be-taking-small-bites-of-big-oil-2015-07-27>

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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