

QUICK TAKES PRO

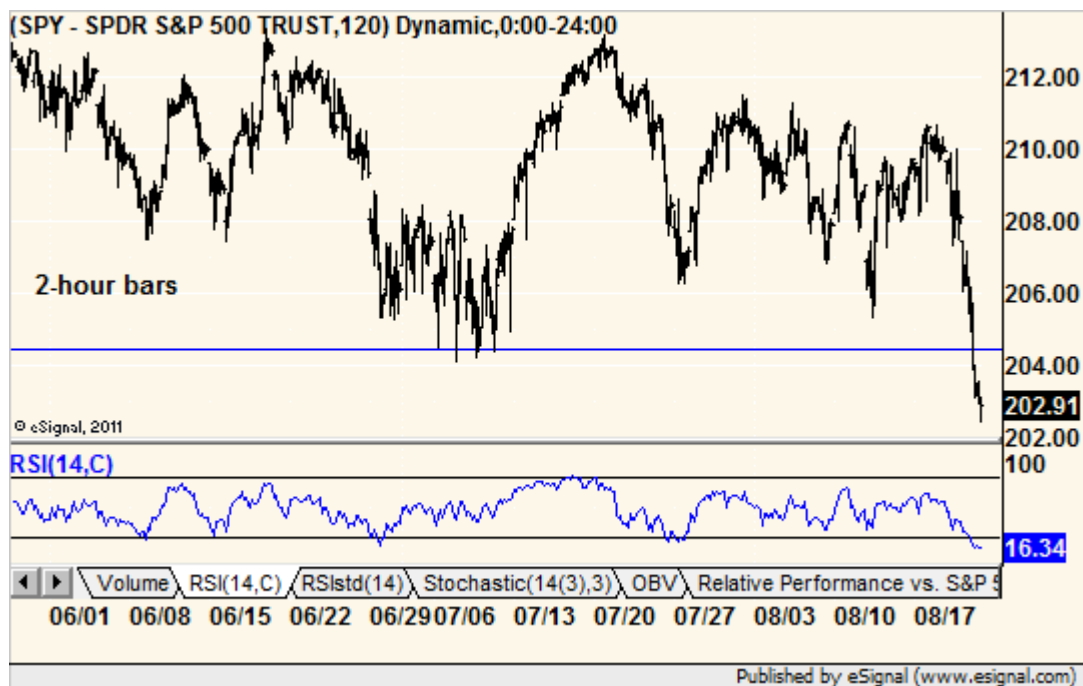
"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

August 21, 2015 – Before we give you any opinions, let list a few things that happened yesterday. You might not need our opinion after that.

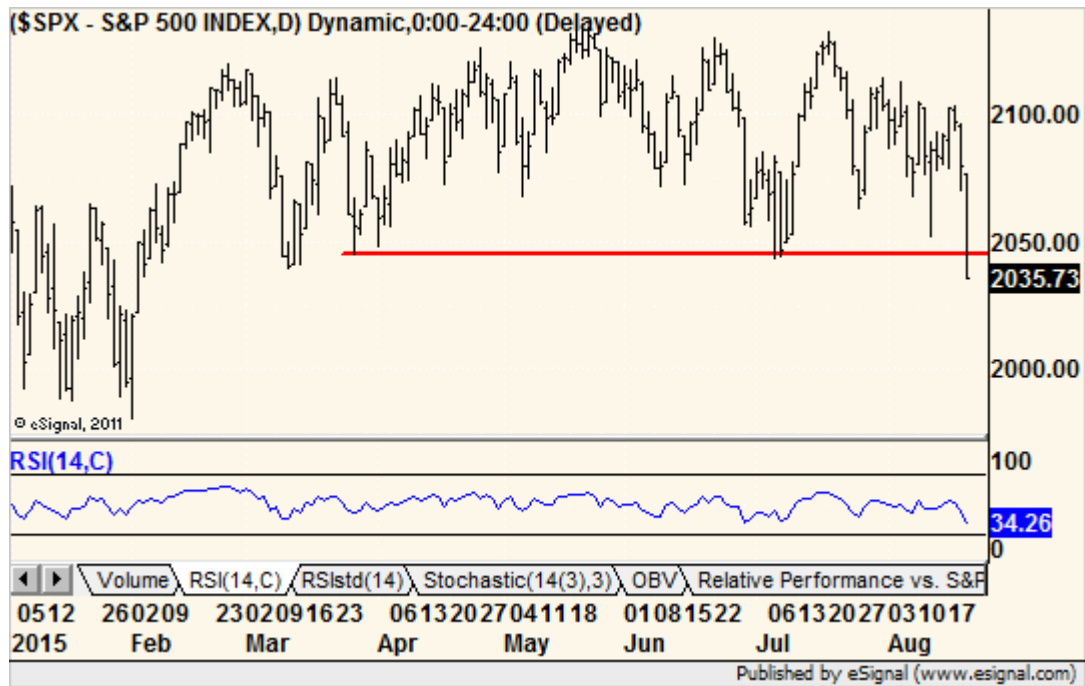
- Nasdaq and S&P 500 join Dow, midcaps and small caps below 200-day averages
- Death cross for S&P 500 equal weighted index
- S&P 500 falls into event horizon (bottom of 2015 range)
- Dow Theory sell signal triggered
- 11% of the NYSE hit a new 52-week low
- Netflix and Facebook (two of the generals) were smashed bigtime yesterday
- China breaks triangle and 200-day average (actually that happened overnight)
- Tech and retail ETFs joined energy, basic materials, and industrials below 200-day averages
- Biotech ETF completed head-and-shoulders top
- Portugal, Spain, France and Switzerland joined Germany, the UK, Canada and Brazil below 200-day averages
- Nothing new in Asia except that all markets except Japan are below 200-day averages and some are in free fall.

With all that said, the market is indeed short-term oversold and sentiment is already negative enough to talk about contrarian plays. Therefore, it is probably not a good idea to aggressively sell today.

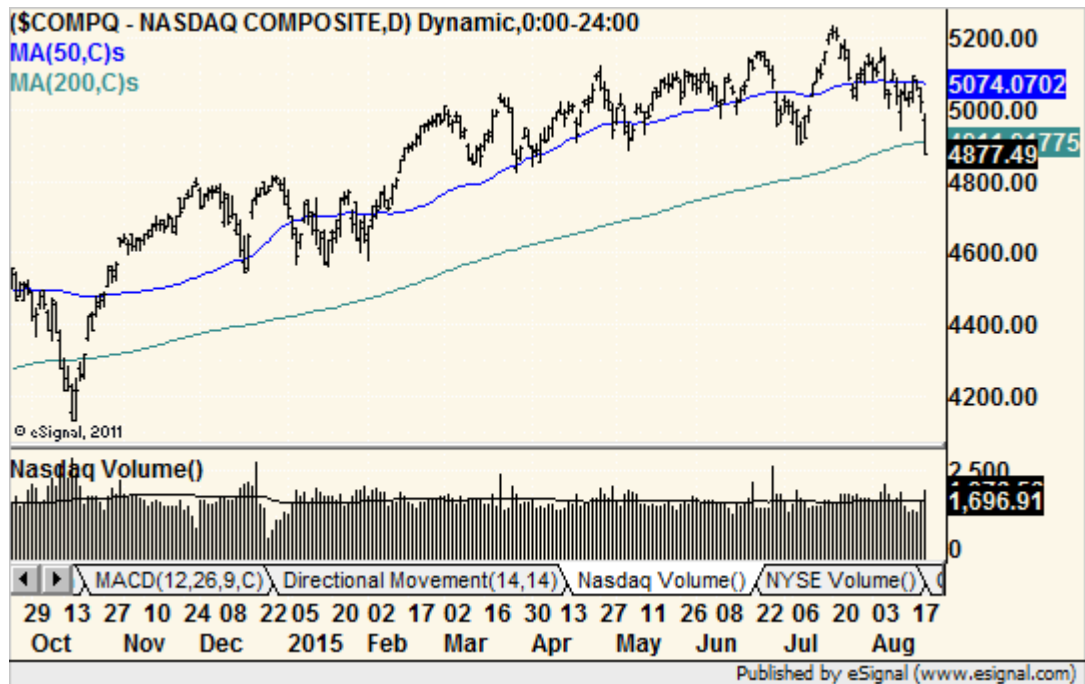


As you can see, the intraday chart (this is a 2-hour bar to fit the data) took out support yesterday. It is also oversold so a bounce back to test the breakdown would be no surprise.

Index Charts of the Day



We expect a little reaction higher at some point soon but this is broken and the market's last straw.



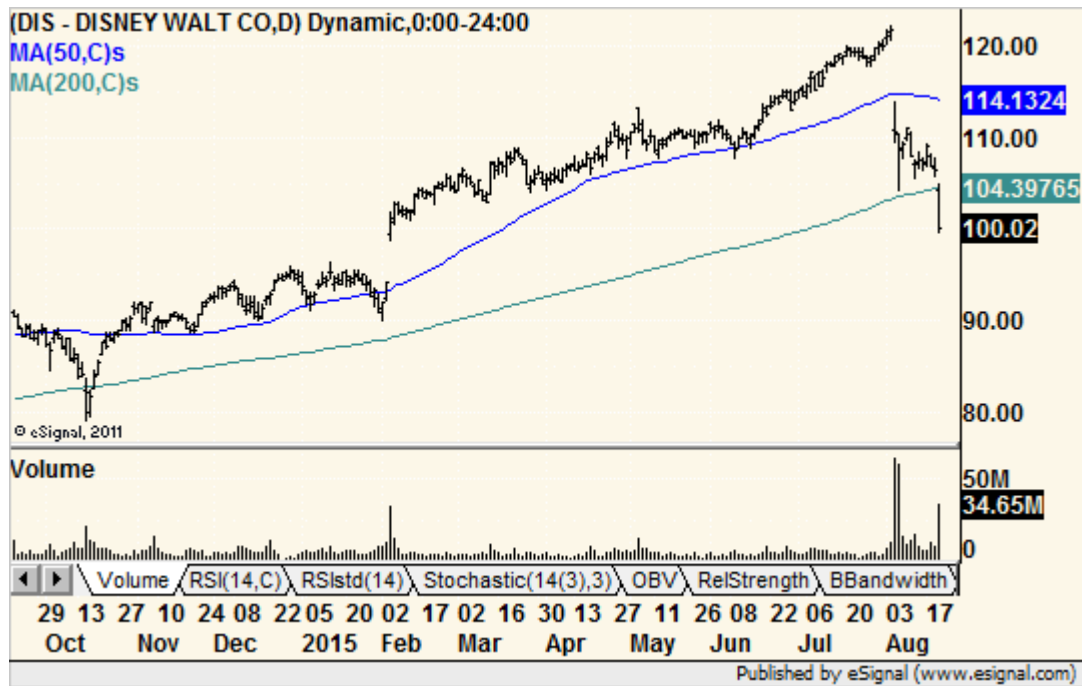
Nasdaq is also broken.

The Radar Screen

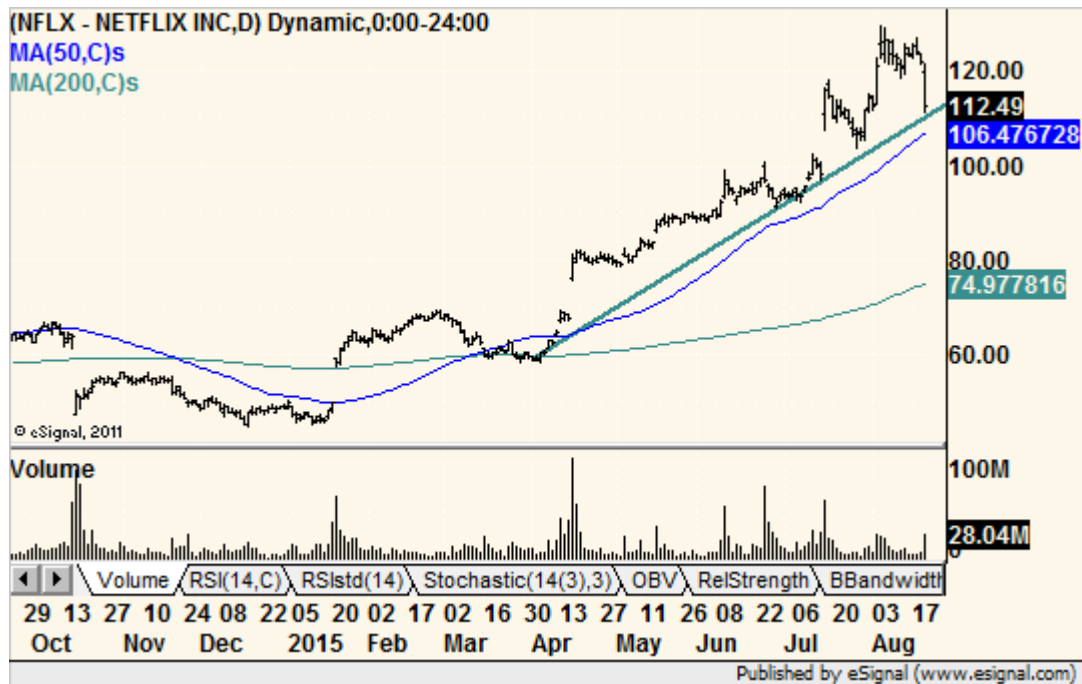
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
FedEx FDX – A break of support at 163.50 would be a major breakdown. Sell it there.	Triggered	8/19
Chipotle CMG – This restaurant has a possible expanding triangle top. Waiting for it to actually start falling so a close under 734 would do it.		8/19
Nasdaq biotech ETF IBB –Edge of a cliff with a trend break in place and possible relative performance break and head-and-shoulders top break pending. Sell under 360 on close.	Triggered	8/4
Staples SPLS – Consolidation in a bear market. Big P/E, too. Sell close under 13.60		8/20
Unknown Implications		
none –		
Holding Tank – red shade leans bearish, green shade leans bullish		
Ford F – Moving the wrong way.	Removed	8/14
Hershey HSY – Tough times call for chocolate. This one has a breakout but we would like to let it dip one more time before jumping in.		8/19
Sector Watch (observations that may spark ideas)		
The Generals – AMZN, NFLX, GOOGL, AAPL, GILD, FB, SBUX Overall, bent but not broken.		7/27
Defense index DFI – A declining channel presents clear boundaries.	Removed	7/31
Retail ETF XRT – Looking dicey.		8/3
Restaurants – Looking ready to fall.		8/11
Banks ETF KBE – Testing downside trend break		8/13
Telecoms – one of the weaker tech areas (VZ, T)		8/19
Semiconductors – a really weak tech area		8/19
Homebuilders – actually strong		
Updates		
none –		

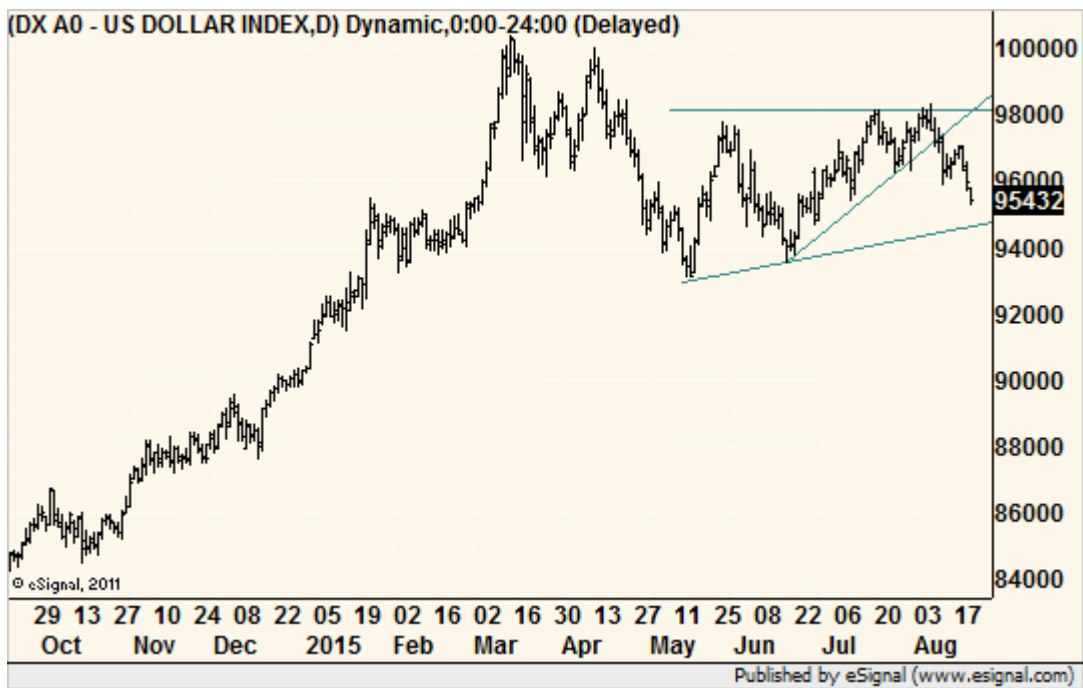
Market Highlights



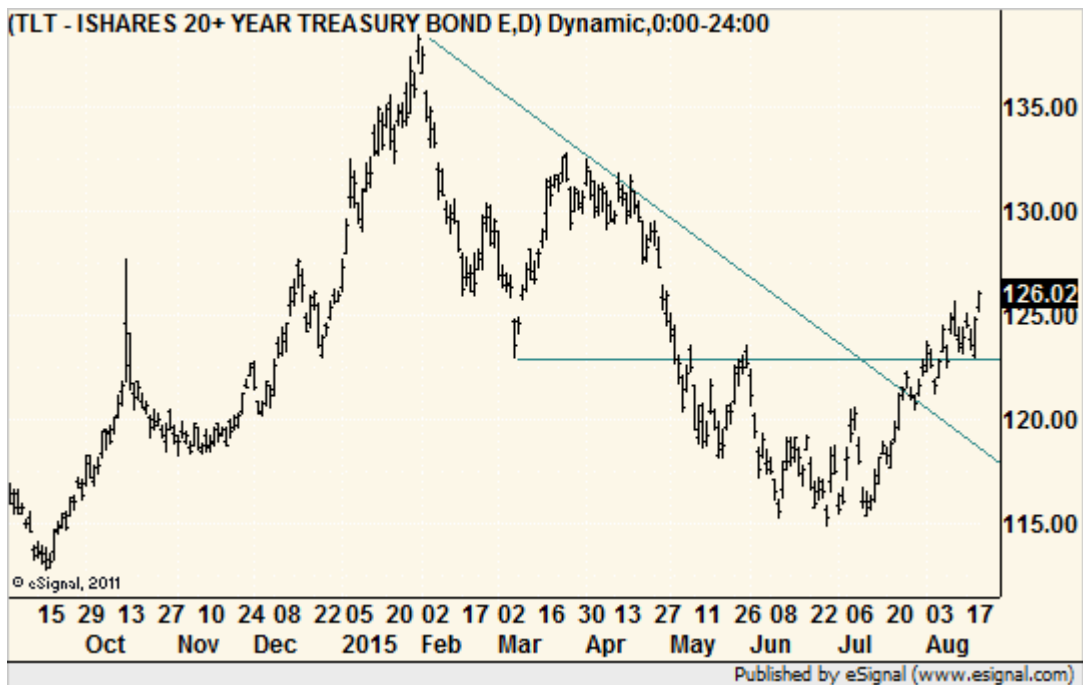
Disney – Ouch!



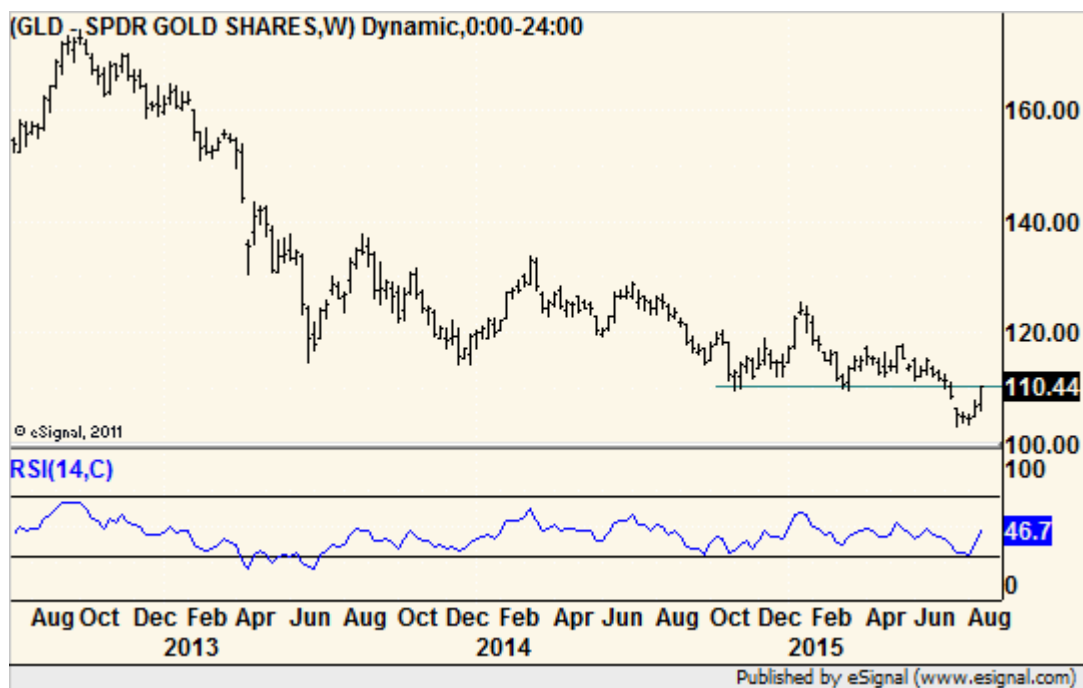
Netflix – Huge drop for this very critical stock but the trend is still intact. Still, even the top general could not withstand the onslaught.



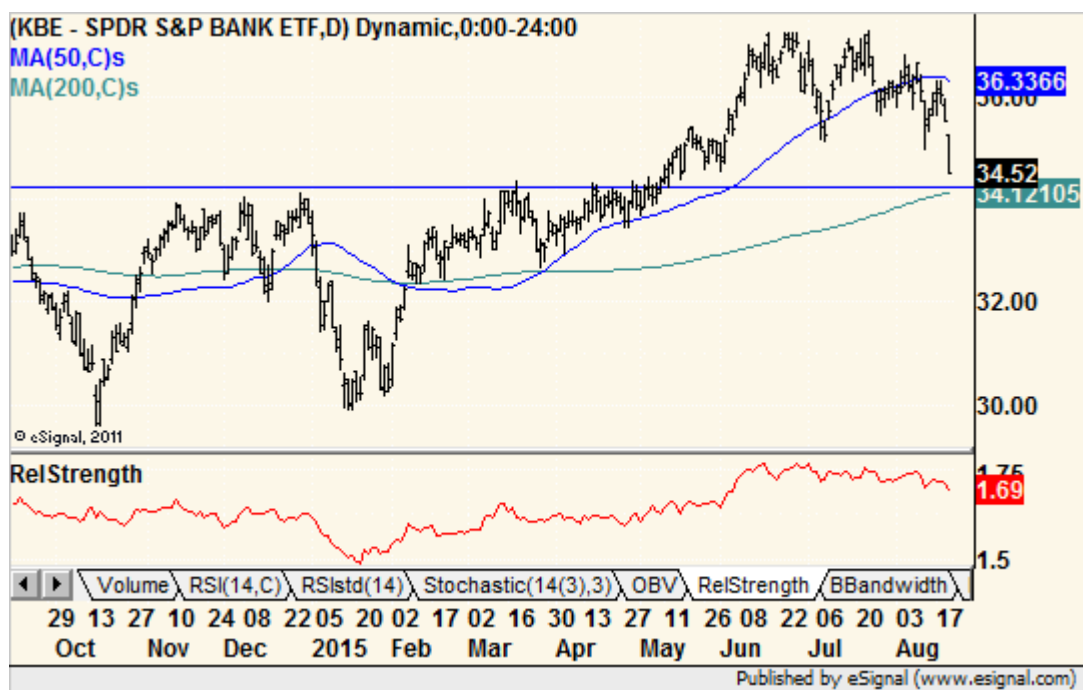
Dollar index – We said it is heading to the bottom of the pattern and still believe it is despite all the chatter that the US is still the best of the worst.



Long T-bond ETF – Look what is rallying. Interest rates on the long end are falling.



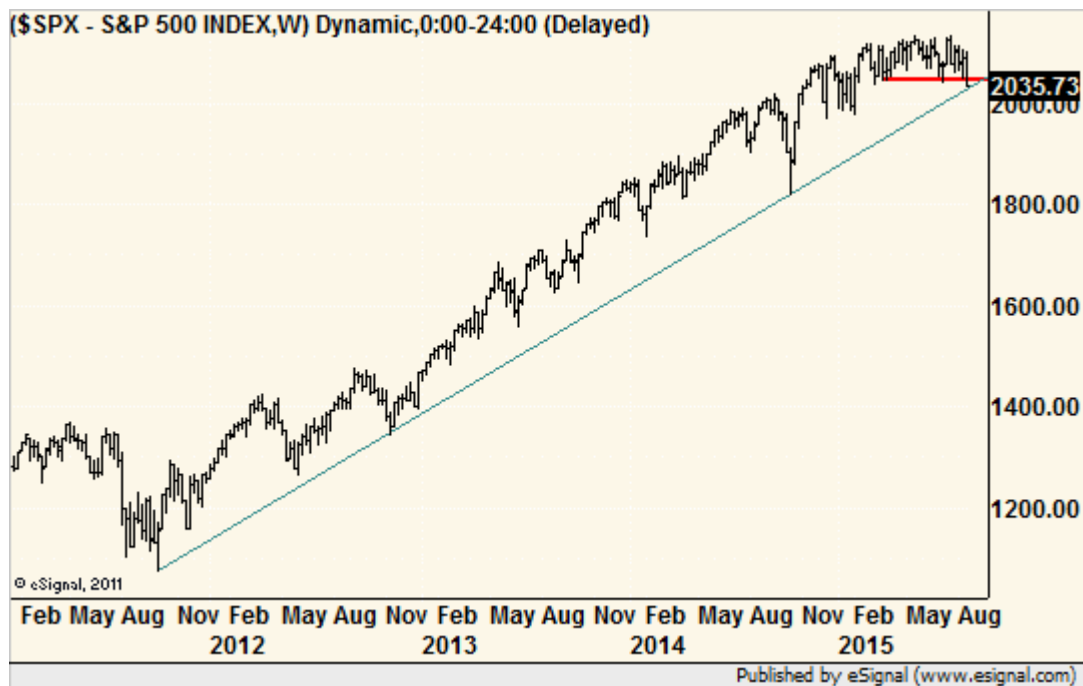
Gold ETF – Just a reminder that there is a lot of damage to heal.



Banks ETF – A line in the sand just below.

The Big Picture

In this section, we take a macro look at things.



This is a weekly view of the S&P 500 with the red line from the daily chart still in place. The trendline provides the last hope for the bulls. We, however, think it is dead man walking.

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	54.73	5.5%	sell	51.90	7/16	35
	XOM	EXXON MOBIL CORP	74.57	-4.8%	74.00	78.32	8/13	7
	DD	DU PONT E I DE NEMOURS & CO	52.41	-1.4%	sell	53.14	8/13	7
	GOLD	RANDGOLD RES LTD	66.66	6.4%	60.00	62.65	8/14	6
<u>Short</u>	HPQ	HEWLETT PACKARD CO	27.35	10.9%	29.00	30.34	7/17	34
	URBN	URBAN OUTFITTERS INC	30.27	15.6%	31.75	35.00	7/21	30
	NYT	NEW YORK TIMES CO	12.24	7.0%	13.00	13.10	7/27	24
	INTC	INTEL CORP	27.53	4.6%	29.00	28.80	8/7	13
	GS	GOLDMAN SACHS GROUP INC	196.75	2.5%	205.00	201.70	8/11	9
	BLMN	BLOOMIN BRANDS INC	20.81	4.3%	22.00	21.71	8/11	9
	ADI	ANALOG DEVICES INC	53.82	8.2%	56.00	58.25	8/18	2
	FDX	FEDEX CORP	160.45	1.9%	167.00	163.50	8/20	0
	IBB	ISHARES NASDAQ BIOTECH ETF	350.82	0.0%	370.00	350.82	8/20	0

Notes: Two new shorts. Unfortunately, **IBB** was at the close instead of intraday through its trigger.

Selling two of the longs – **MO** because it was a nice ride and it is near resistance, **DD** because it is not working.

Lowered stops on most of the shorts.

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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