

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

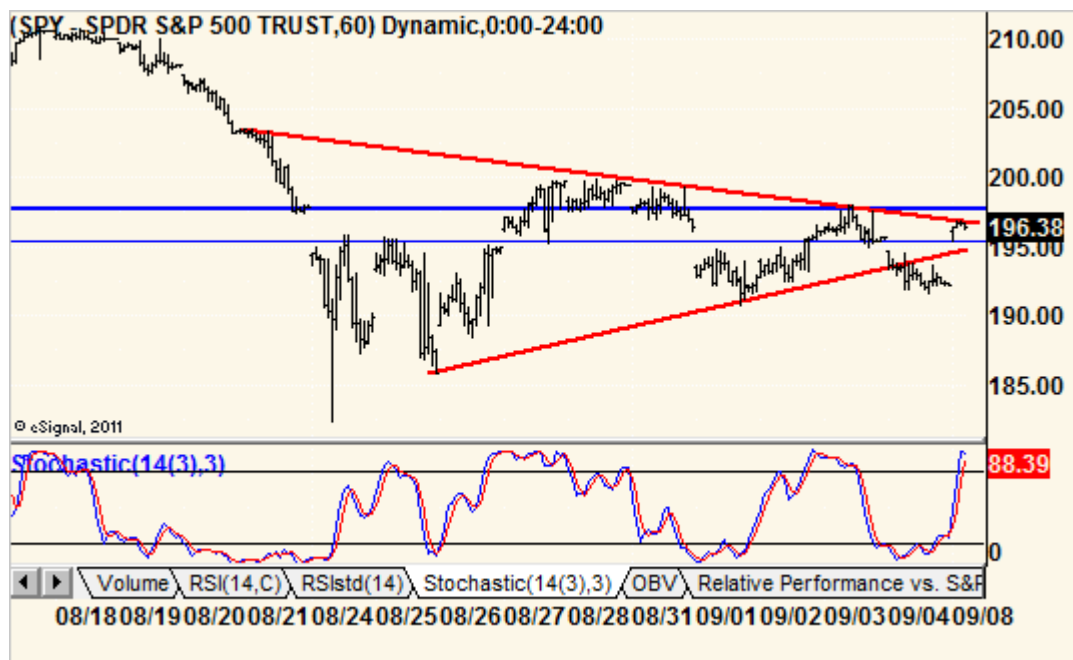
September 8, 2015 – Today was supposed to be when we offered thoughts on what Friday's jobs report – more specifically the market's reaction to the report – meant. But with Dow futures up 300 we will be sidetracked.

Let's start with jobs anyway. The report was lousy and the market sold off. Apparently, the economy is more important (finally) than the Fed's interest rate policy. Pundits suggested that at this stage, the Fed is out of bullets and the economy should have done much better. The fact that it is still not generating enough quality jobs is a big problem in a market that has rallied for six years.

OK, China. Overnight, the hope for China to inject stimulus sent that market up nearly 3% but that only reversed Monday's selloff there on their first day back from an even longer weekend than ours here. Hong Kong predictably liked the news but Japan was down big to a new low.

And Europe is up nicely today, too, and more than US futures are so far. In fact, Europe was up Monday so a big component of US futures is catching up to others. That leaves less room for the gain predicated on China.

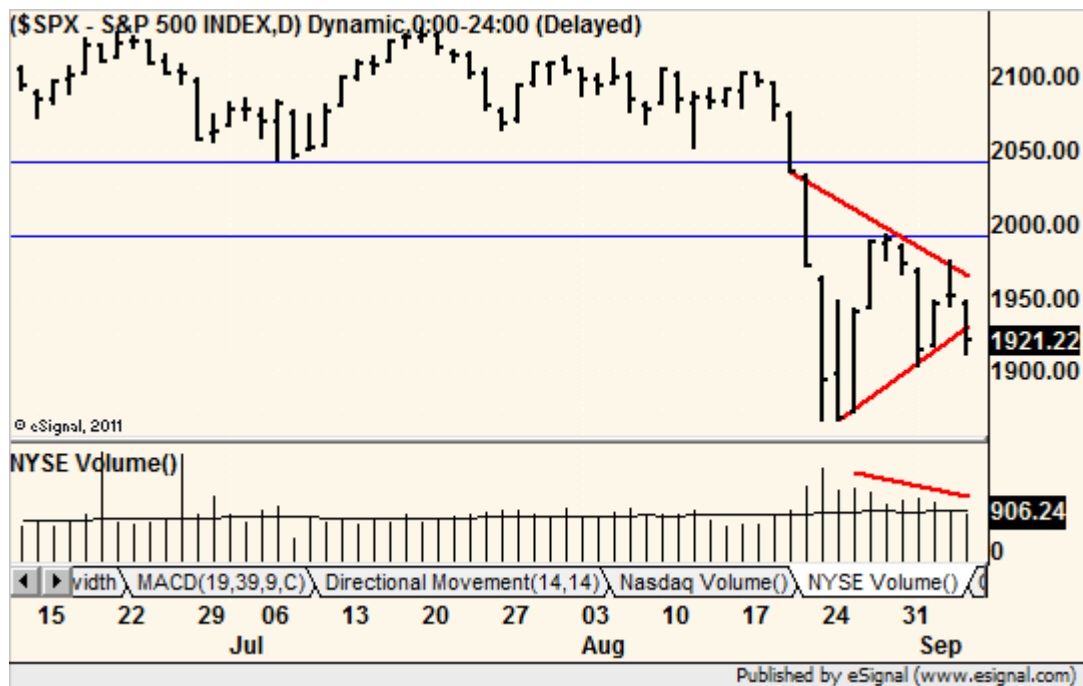
And if China were getting stimulus you would think that energy and commodities would be higher today. Well, commodities are a bit higher but not energy. Our bottom line is that we do not think much of the China news. We've been away for a long holiday weekend following what is traditionally a slow week in the stock market (it wasn't) and everyone is back at their desks looking to do something. We say "do anything" but that's just an opinion. We are not interested in buying into the opening gap and still have two "sell the bounce" triggers set in the Radar Screen.



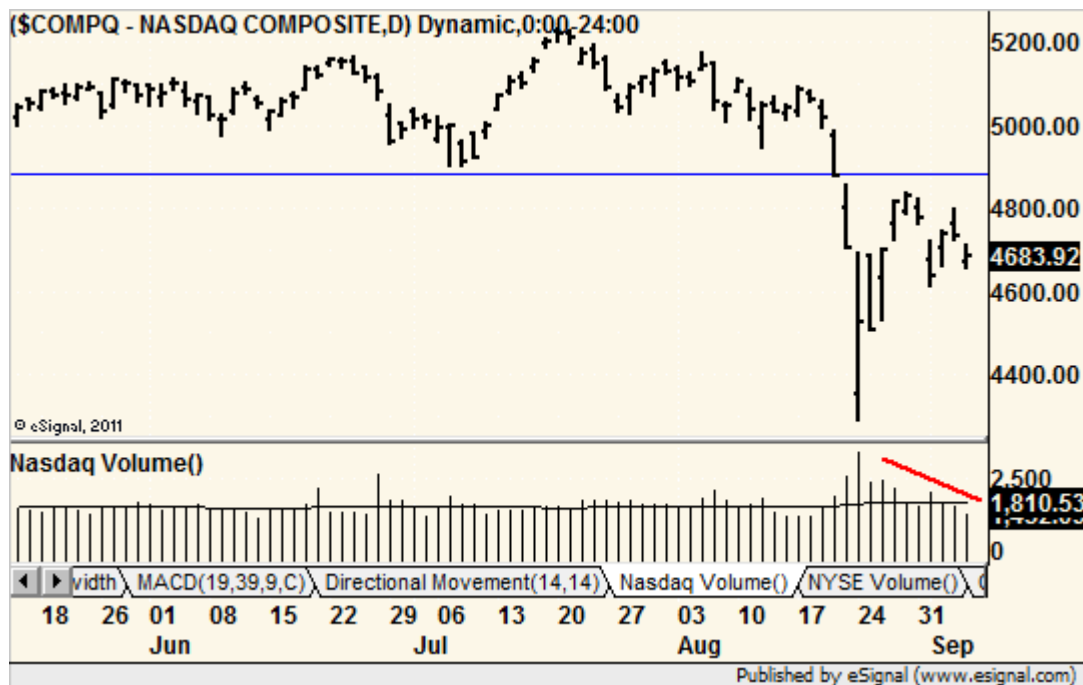
Friday, the hourly chart broke down below its triangle lower border. This, after finding resistance in the zone shown above. Today, that breakdown has failed but resistance is still in effect. For us, we will have to redefine the patterns to capture Friday's decline.

But overall, we do not see the makings of a rally here, at least not until resistance is convincingly breached. No stock picks today although check out a level to love **IBM** below.

Index Charts of the Day



Friday, the triangle broke but volume, pre-holiday or not, was way down. Therefore, we should not have thought that “that was it.” Today, the upper line is being tested.



The Nasdaq’s volume issue was even worse. It may try to test horizontal resistance but volume surely must come back on the gain if there is to be any chance to break out.

Bottom line – Today so far is just noise, not a reversal.

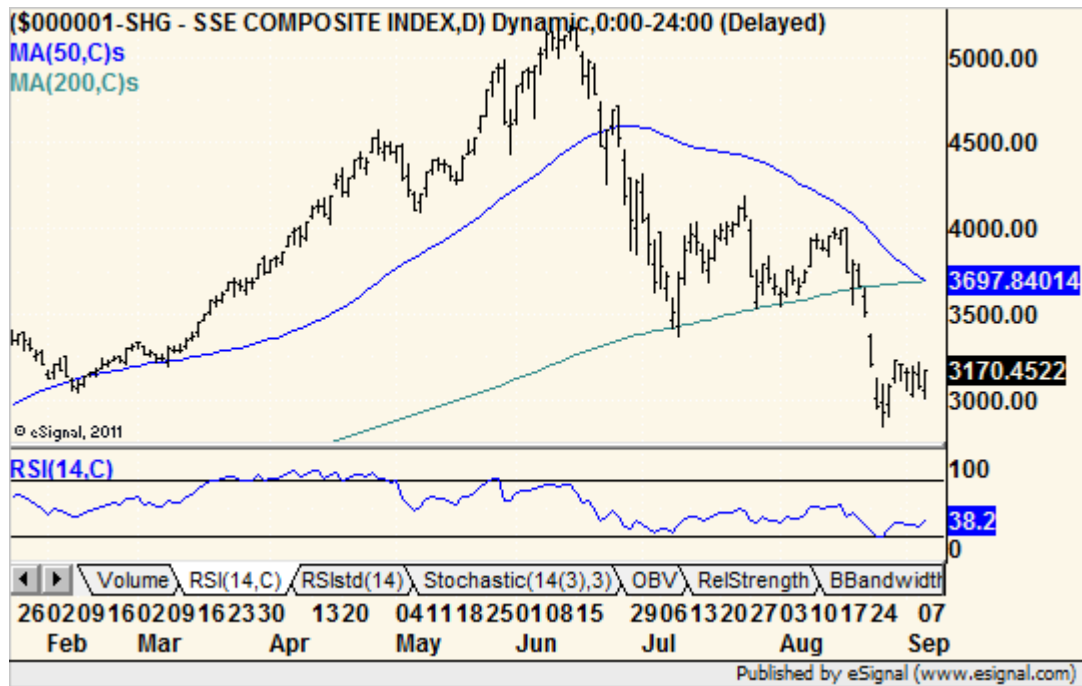
The Radar Screen

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.

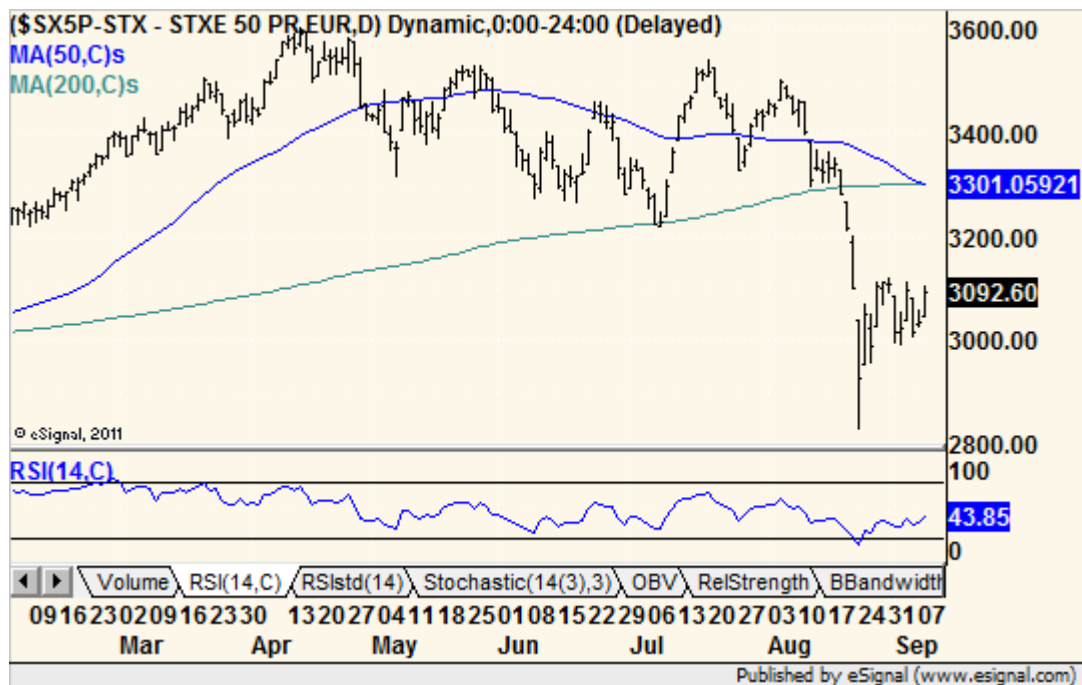
>> Nothing new except for **IBM** in the Holding Tank. <<

Bullish Implications		
none -		
Bearish Implications		
Express Scripts ESRX – Another one to sell if it bounces a little more to the 200-day average. Sell 85.		9/3
Facebook FB – Dare we say the same for Facebook at 91?		9/3
Unknown Implications		
none –		
Holding Tank – red shade leans bearish, green shade leans bullish		
Gold Miners ETF GDX – This is changed to a long-shot for now but still interesting enough to keep it here.		8/31
Transocean RIG – Battered. But trading sideways for months. That is a good base so we wait for a better signal to buy.		8/31
Diamond Offshore DO – Small base but big volume. Somebody is trading this thing and we have to think it is smarter money.		8/31
Netflix NFLX – Completed a head-and-shoulders top with neck at 100.		9/2
IBM – This stock is down 30% and still looks terrible. But support at 132.50 and a current trailing P/E of 9.5 with a 3.6% dividend yield makes it look enticing on the next dip.	New	9/8
Sector Watch (observations that may spark ideas)		
none –		
Updates		
none –		

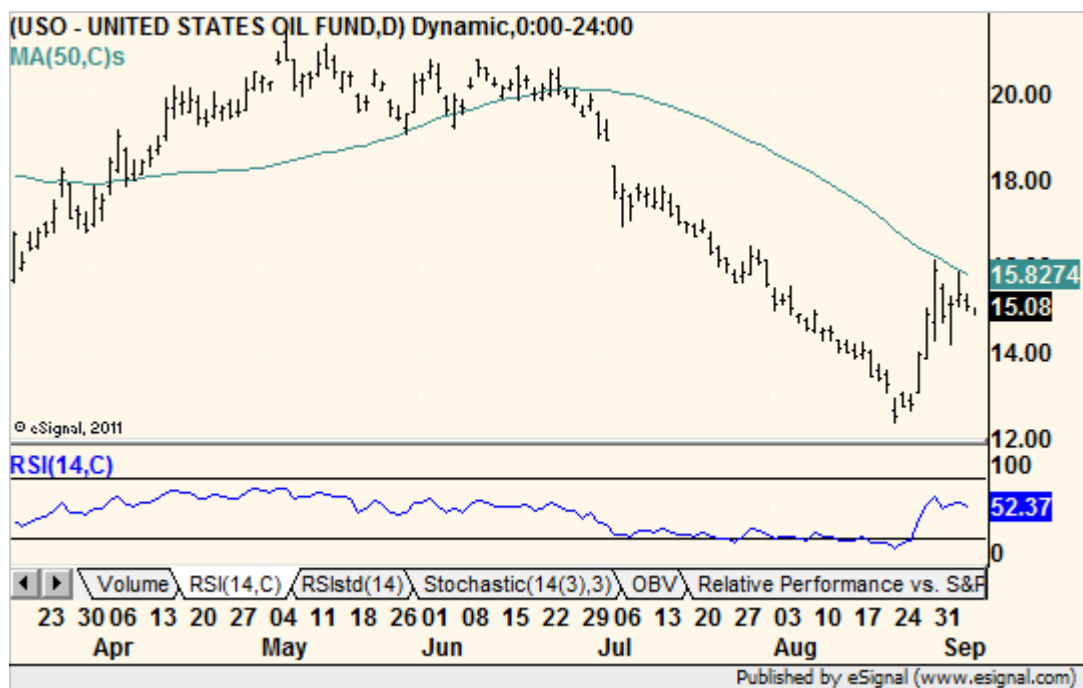
Market Highlights



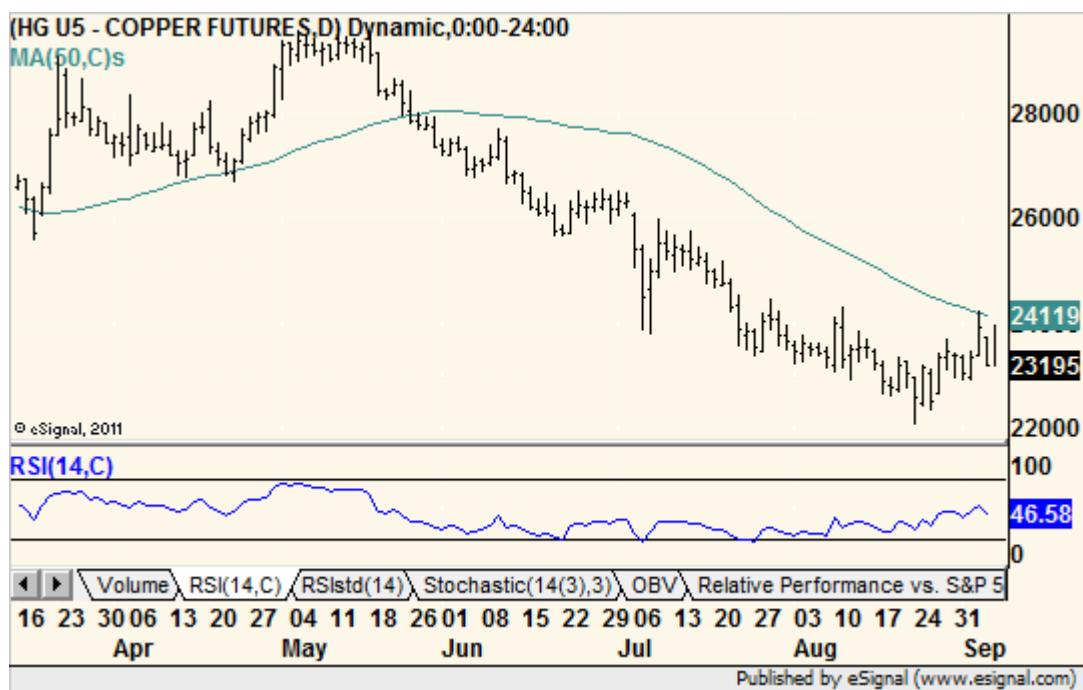
China – The big rally Tuesday offset the big loss Monday. It may bounce some more but this is a bear market. We won't mention the death cross on tap for Wednesday. Oops, we just did.



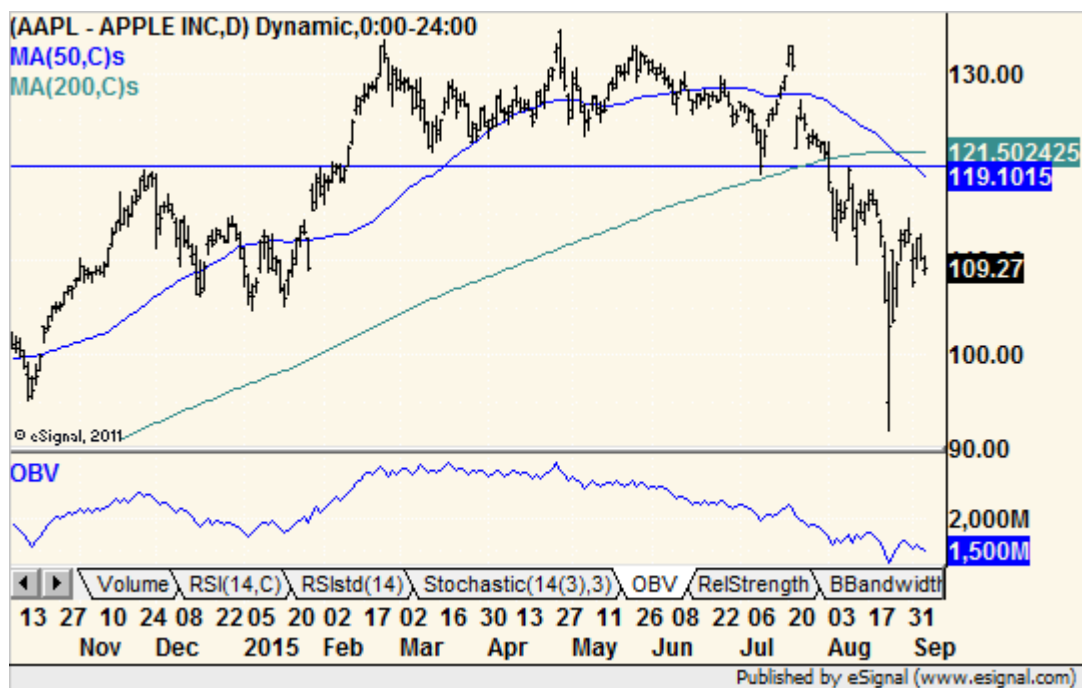
Stoxx 50 – The pan-European blue chip index is up nicely today but it is still reeling from last month. And wait, what is it that just happened today? A death cross. Again, that does not mean it is “look out below” right away but it is not a good sign.



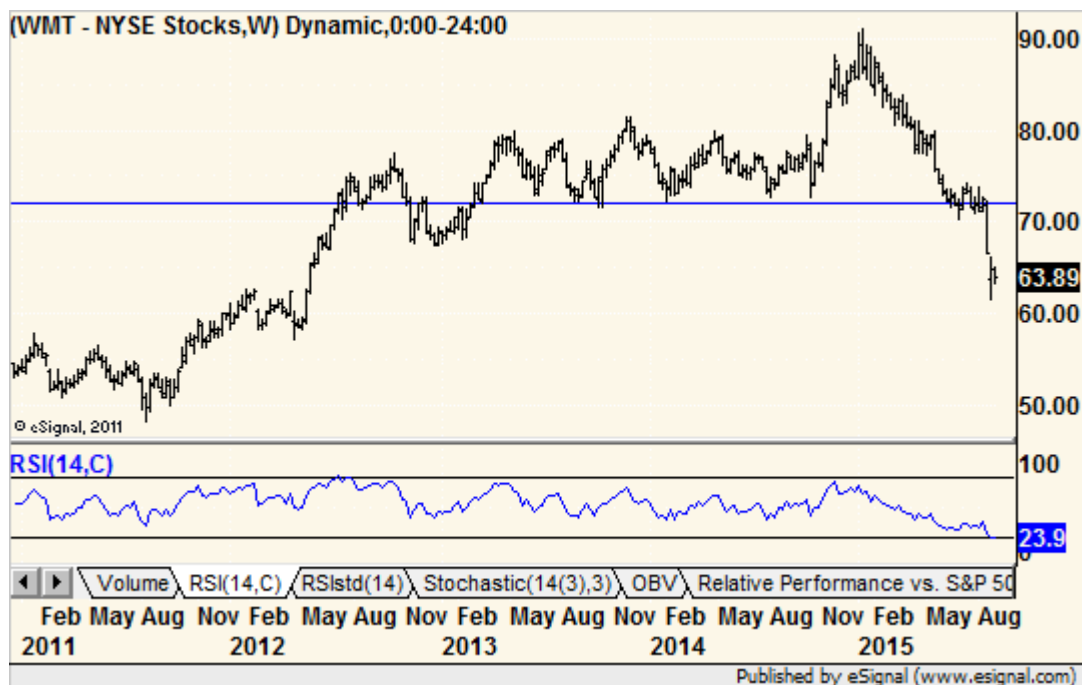
Oil ETF – Lower in the premarket today although we can say it is still consolidating last month’s big rebound.



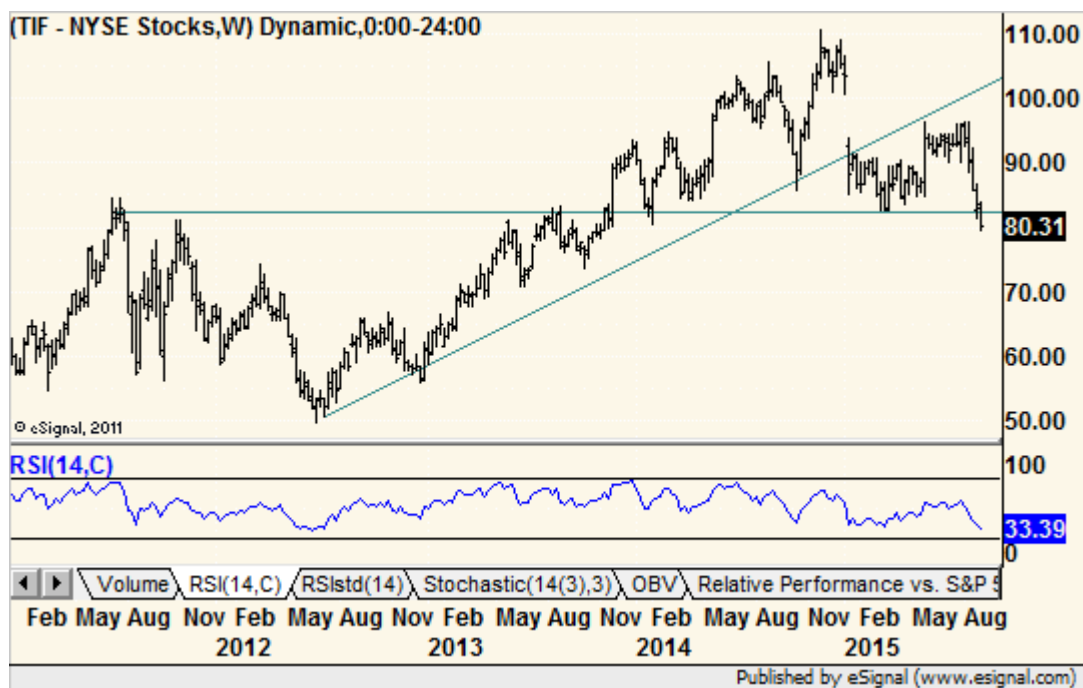
Copper – This is a chart of copper futures showing the premarket rally this morning. Still below the 50-day average although it is not quite as bearish as it was Friday when it dropped hard on the jobs report.



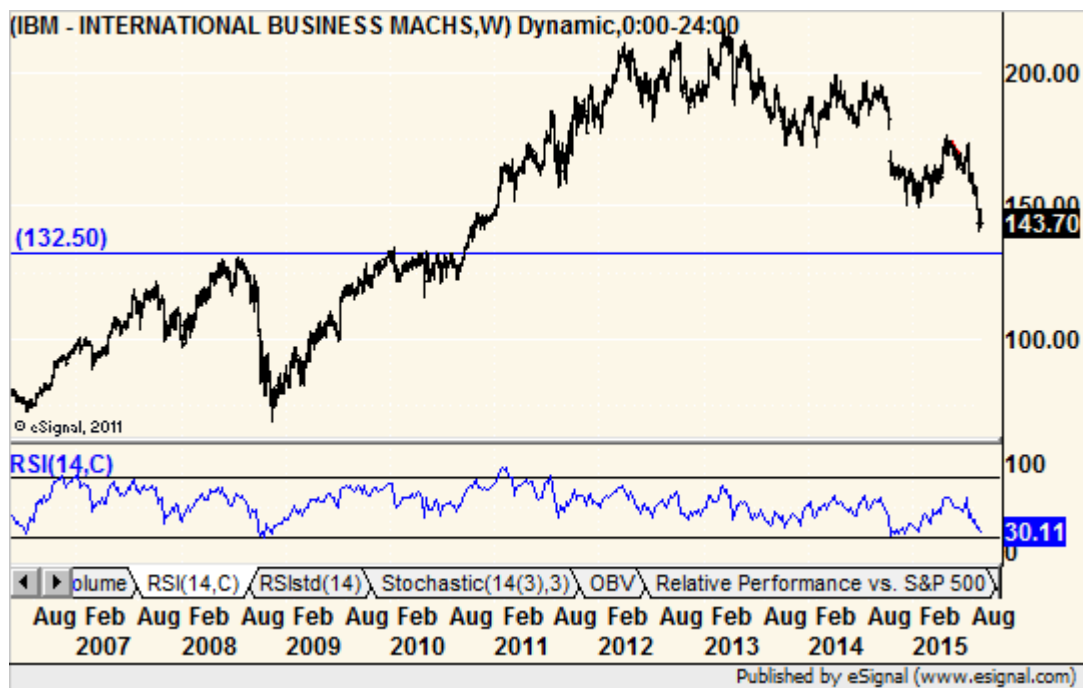
Apple – Big news release coming today. This chart looks bearish and the premarket does nothing to change it. We'll have to see what game changing product they announce. #sarcasm



Wal-Mart – If the economy is getting better why is this stock in a vicious bear market? Maybe everyone is doing so well they are shopping at Tiffany? See next...



Tiffany – Nope, that’s not it.



IBM – This stock is down 30% and still looks terrible. But support at 132.50 and a current trailing P/E of 9.5 with a 3.6% dividend yield makes it look enticing on the next dip.

>>> We like the strategy of looking for big companies and setting outrageously low buy prices, well below the market.

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>	none							
<u>Short</u>	NYT	NEW YORK TIMES CO	11.89	10.2%	12.50	13.10	7/27	42
	GS	GOLDMAN SACHS GROUP INC	180.38	11.8%	190.00	201.70	8/11	27
	FDX	FEDEX CORP	148.61	10.0%	155.00	163.50	8/20	18
	CMG	CHIPOTLE MEXICAN GRILL INC	719.23	0.1%	740.00	720.01	8/20	18
	MHK	MOHAWK INDS INC	197.50	-1.8%	205.00	194.01	8/28	10
	AGN	ALLERGAN PLC	293.74	6.0%	315.00	311.51	8/28	10
	PFE	PFIZER INC	31.37	6.2%	33.50	33.30	8/28	10
	XLI	INDUSTRIAL SELECT SECTOR SPDR	50.36	2.0%	52.75	51.39	8/31	7
	MSFT	MICROSOFT CORP	42.61	2.2%	44.50	43.56	8/31	7
	KO	COCA COLA CO	38.52	1.0%	40.75	38.90	9/2	5
	CTXS	CITRIX SYS INC	67.89	-0.7%	70.50	67.39	9/2	5

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

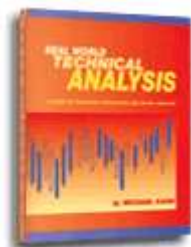
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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