

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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September 11, 2015 – It is hard to believe it has been 14 years and most of us have our stories about where we were or what we were doing. I had already started to work at home by 2011 but if I still went into our offices in the World Financial Center I would have been walking over the north bridge from the World Trade Center when the first plane hit. The debris wiped out that bridge.

But now the area is rebuilt with a 1776 foot tower standing defiantly. We will always rebound and we will always remember.

The stock market yesterday seemed to be in one of its up-cycle days but that did not last. Today seems to be a down cycle and we use that term intentionally to emphasize that a corrective pattern is still in place. If and when the lower border is broken then we can become more trendy bears (pun intended). We'll see the patterns in the charts below.

Oil had a good day yesterday but it, too, is in a corrective pattern with each day opposing the one that came before it. The difference is that its pattern is corrective in a possible rebound. It is quite interesting how Goldman Sachs comes out with a prediction that the eventual target for crude is \$20. We don't think so. We are not bulls but we are certainly not looking for oil to get cut in half from here.

Yesterday, I wrote in Barron's Online that defensive stocks were not providing any shelter. There are actually a few places holding such as tobacco and food. But the **XLP** ETF is broken and about to death cross. The **XL** financials should death cross next Monday, too.



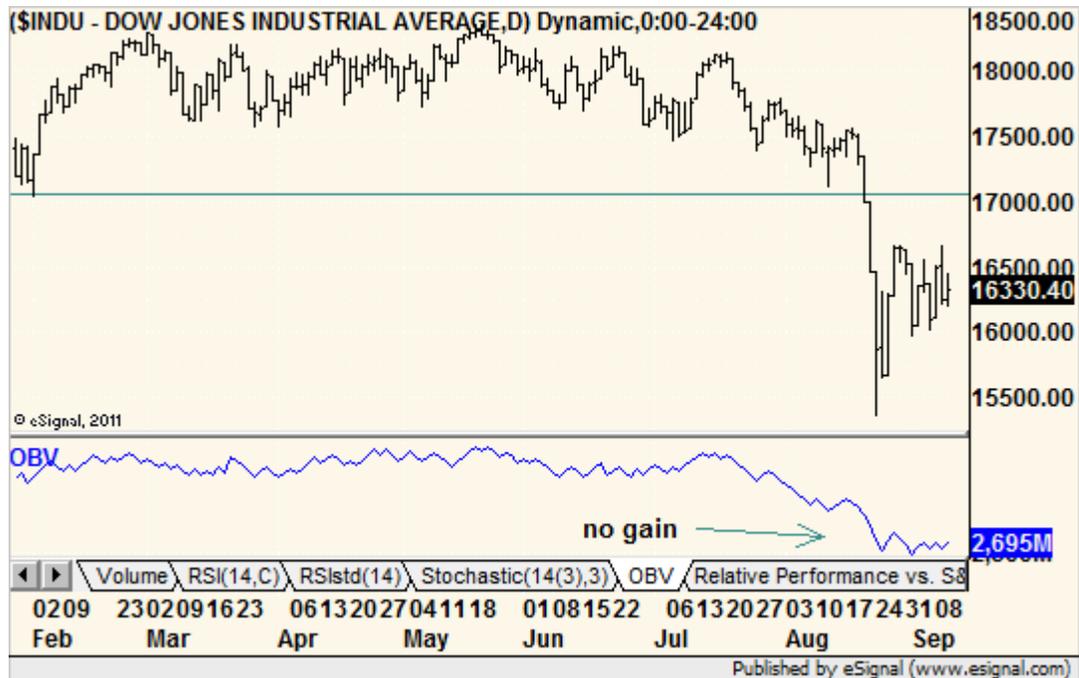
The new markings on the hourly chart will be tested today as the **SPY** is now sitting on the lower border of the triangle. A decisive downside break should be sold but with the caveat that next week the Fed will weigh in with its interest rate decision. They will be damned if they do and damned if they don't.

Once again, we are laying low on new trades but there are some ideas below.

Index Charts of the Day



The cash S&P 500 index looks the same as the **SPY** ETY above. Look for a break down on higher volume as the real sell signal.



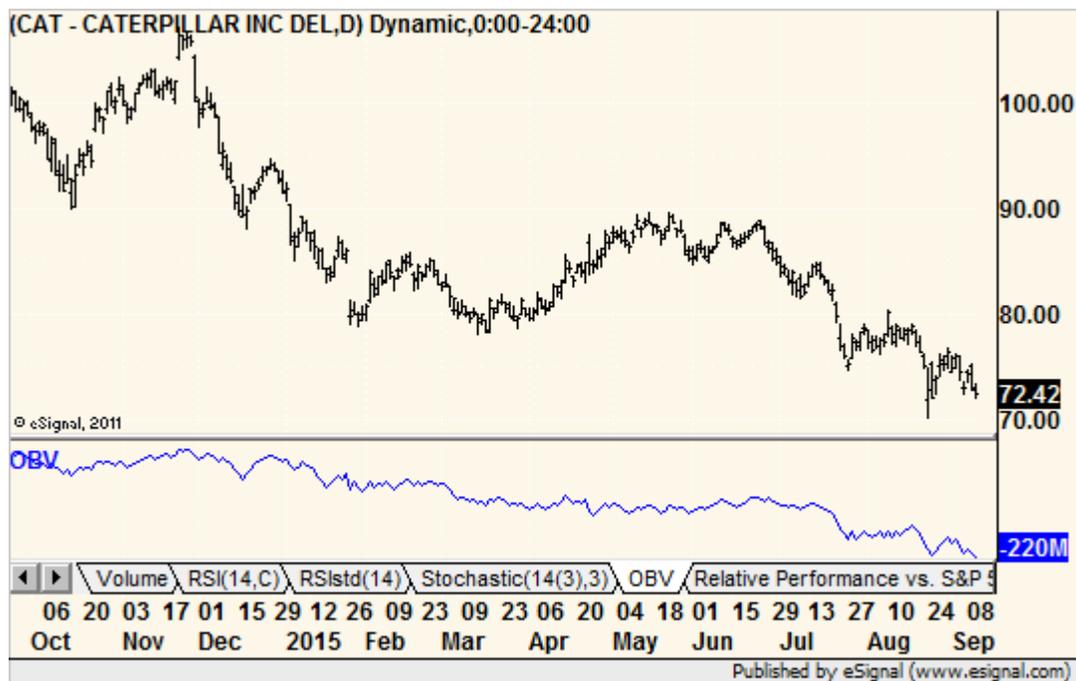
The Dow shows no gain in on-balance volume during the corrective rally. Apparently people are not “scooping up bargains” despite what talking heads on TV suggest they do.

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		
MasterCard MA – Broken and now waiting for the correction to break. Sell lower close today <u>only if volume is similar to the past two days – say above 5 million</u>	New	9/11
Cisco CSCO – How many trendline have to break before we get bearish? One more. Sell close under 25.60.	New	9/11
Unknown Implications		
none –		
Holding Tank – red shade leans bearish, green shade leans bullish		
Gold Miners ETF GDZ – 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. Actually looking worthy of attention		8/31
Diamond Offshore DO – Moving on as on-balance volume is falling again.	Removed	8/31
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.		9/8
Sector Watch (observations that may spark ideas)		
Semiconductors – Nice bear reversal on the weak SOX index.		9/10
Updates		
none –		

Market Highlights



Caterpillar – Using this stock as a gauge for the eventual turnaround for commodities. So far, CAT looks lousy as on-balance volume sets new lows.



MasterCard – Broken and now waiting for the correction to break. Sell lower close today only if volume is similar to the past two days – say above 5 million.



Tesoro – Oil refiners are actually beating the market suggesting that gasoline is not going to fall below \$2 nationally at the pump. Either that, or crude oil will collapse, a la Goldman Sachs’ call – which we do not believe.



Cisco – How many trendline have to break before we get bearish? One more. Sell close under 25.60.

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	45
	FDX	FEDEX CORP	149.57	9.3%	155.00	163.50	8/20	21
	CMG	CHIPOTLE MEXICAN GRILL	723.19	-0.4%	740.00	720.01	8/20	21
	AGN	ALLERGAN PLC	293.60	6.1%	310.00	311.51	8/28	13
	PFE	PFIZER INC	32.62	2.1%	33.50	33.30	8/28	13
	MSFT	MICROSOFT CORP	43.29	0.6%	44.50	43.56	8/31	10
	KO	COCA COLA CO	38.42	1.2%	40.00	38.90	9/2	8
	ESRX	EXPRESS SCRIPTS HLDG CO	83.90	1.3%	87.00	85.00	9/9	1
	FB	FACEBOOK INC	91.98	-1.1%	94.00	91.00	9/9	1
	NFLX	NETFLIX INC	99.48	-1.5%	103.00	98.00	9/9	1

Notes: Tweaked the stop on **AGN**.

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

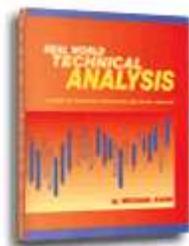
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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