

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

September 12, 2014 - It was a fairly subdued trading day with major indices doing very little. The Nasdaq, led by Apple, did make an afternoon run higher but still netted very little for the effort. Pandora and JDS Uniphase made their jumps early and were not involved in the afternoon comeback.

Bonds also jumped early but they faded into the red. And for you casual futures traders, you should be looking at the December contract - which is at a fresh low this morning.

And gold keeps bleeding. Even though the **GLD** ETF ended strong yesterday with a hammer candle, it took out that low overnight to kill the setup. Just keep an eye on today's action because if it strengthens then it could set up a breakdown failure. We've got that chart below. Just a reminder that this is a lot of "if" but silver is also at a big support level.

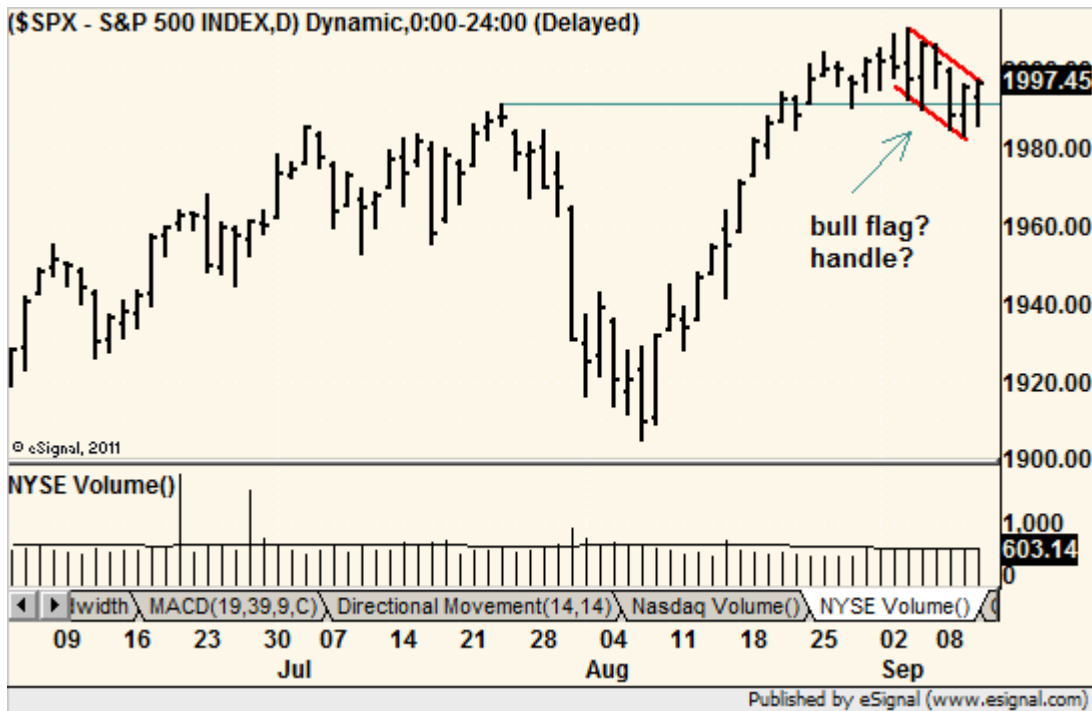
Oil also has some positive signs with a bullish engulfing candle yesterday. It must be confirmed with a gain today.



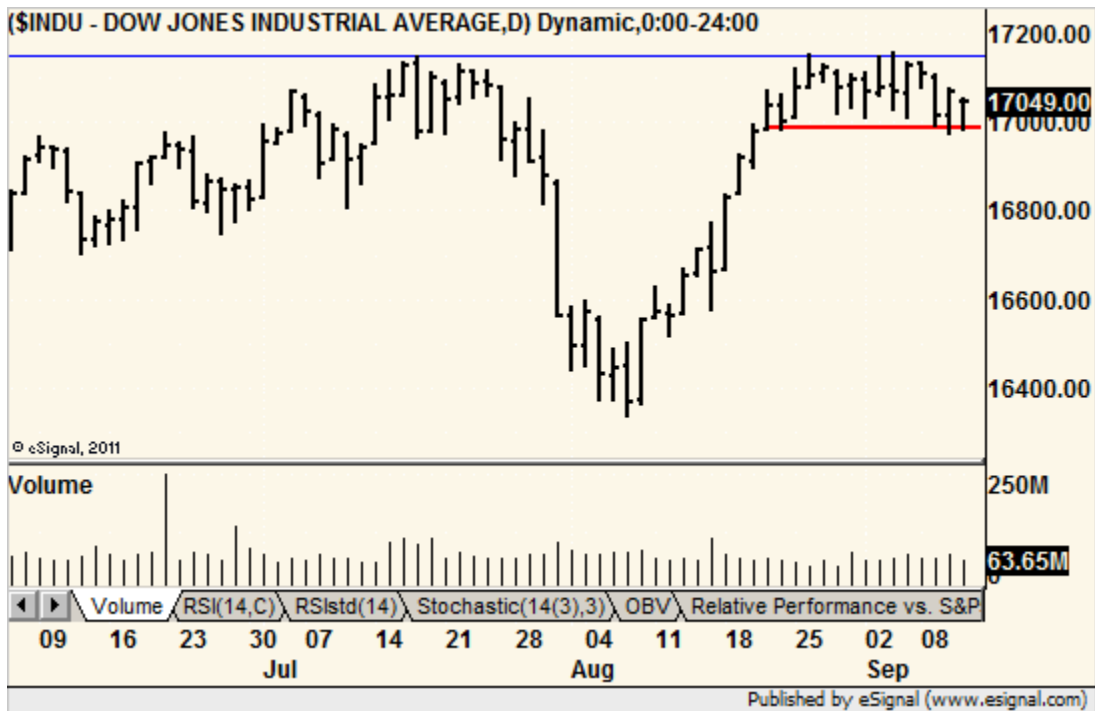
The hourly **SPY** saved support again yesterday and now is challenging the pattern's top. If it breaks out now then a run at the high seems quite likely.

We've got a bunch of retail and financial stock charts below - not by design. That's just where chart flipping took us. Unfortunately, the latter goes against our view that financials are weak and banks are failing. It does indeed feel that conditions change almost daily and that is not a good place for investors to play.

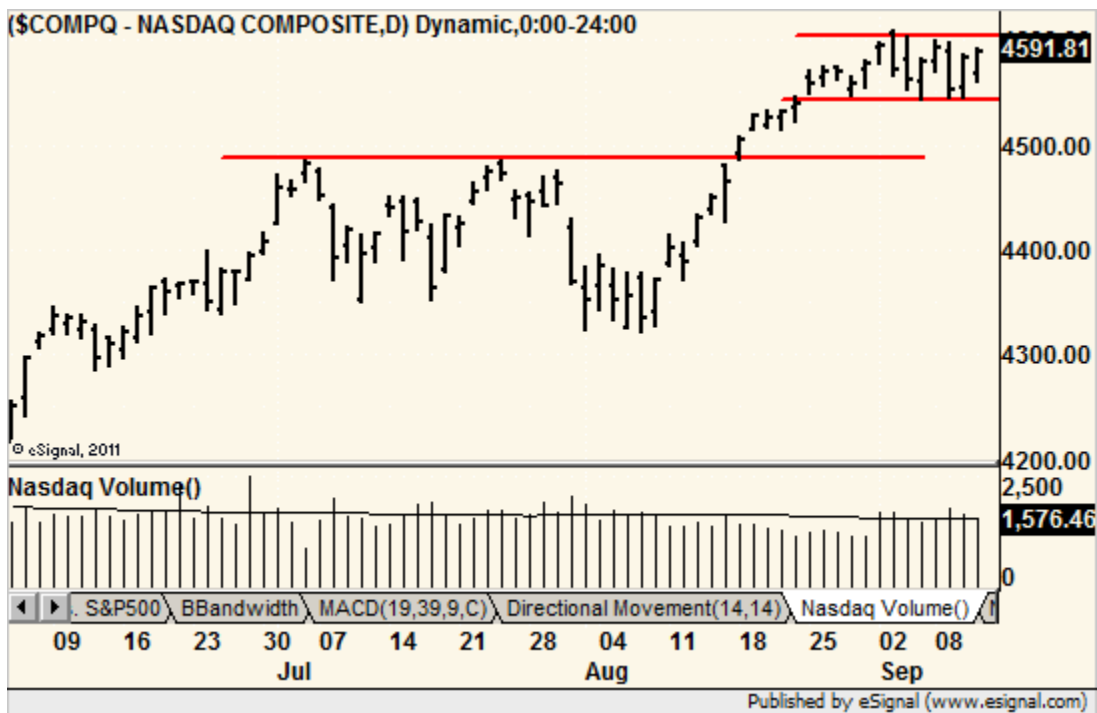
Index Charts of the Day



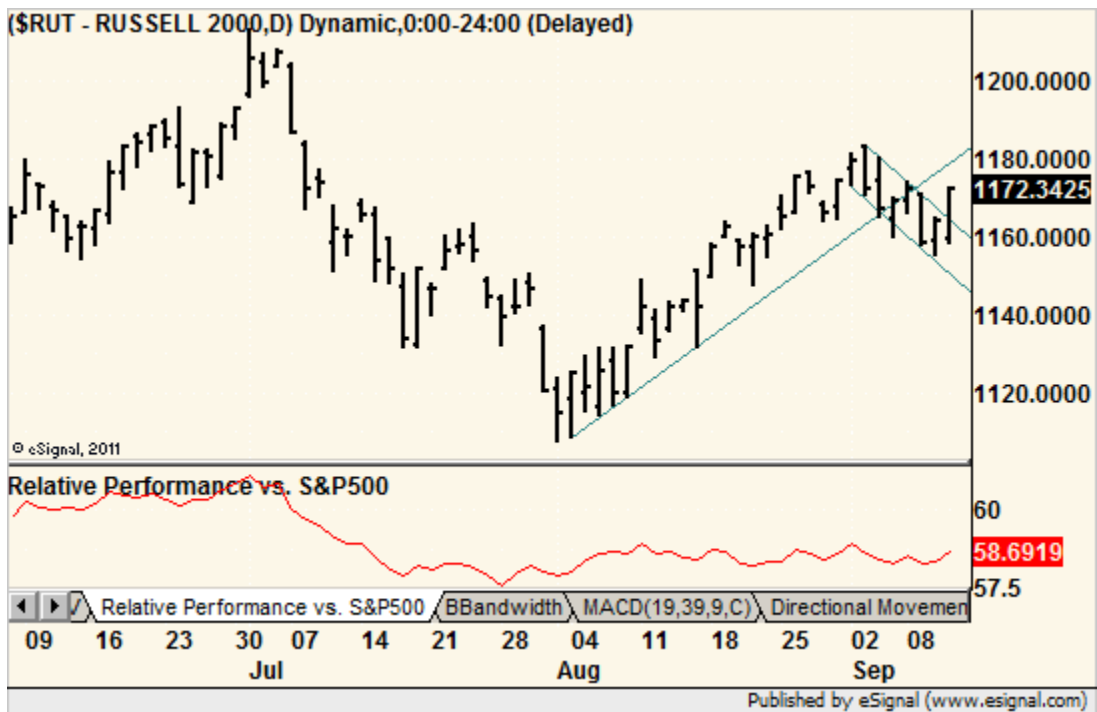
After a few support saves we've changed the pattern. A breakout now could be enough to kick off a leg up even before it hits a new high.



The Dow still sports the flat trading range and needs a new high to break out.



Ditto Nasdaq. Flat range. Needs new high.



The Russell's battle of the trends seems to have turned towards the upside.

The Radar Screen

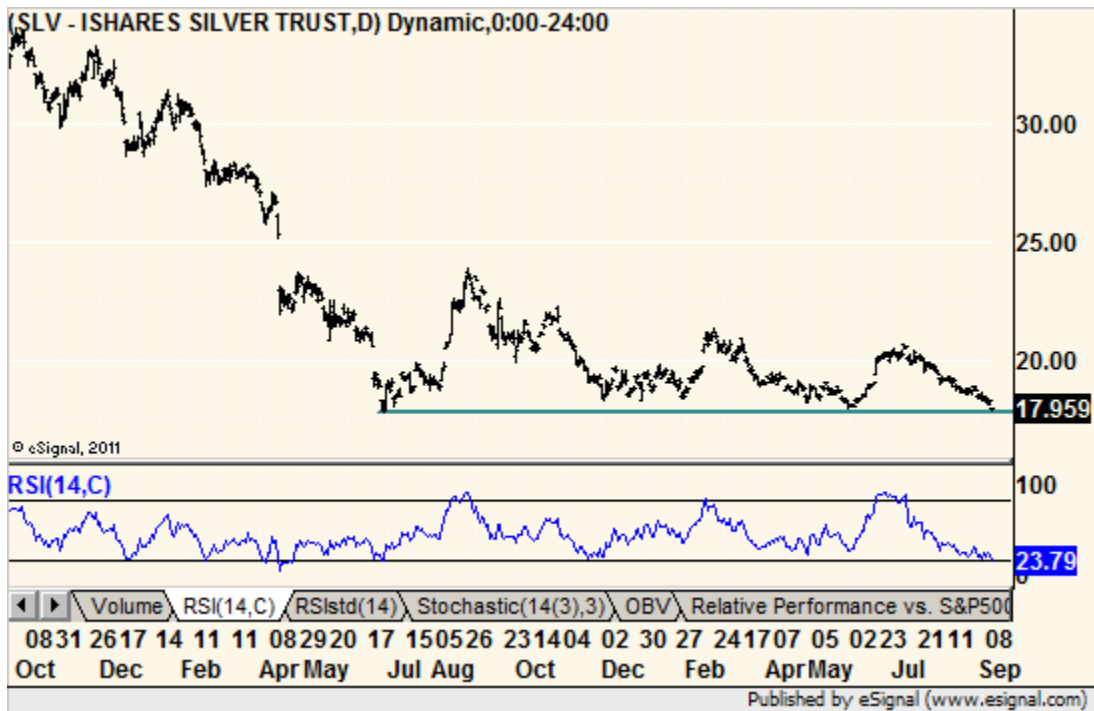
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
Ubiquiti Networks UBNT - This is a network equipment maker and it is now bumping up against resistance where a breakout would be buyable. It is above its major averages but this one is based purely on price levels. Buy 47.55.	Triggered	9/9
Bearish Implications		
none -		
Unknown Implications		
Lam Research LRCX - Triangle pattern waiting for a break. Lower on-balance volume suggests the downside but we have to let the signal happen. Buy 72.75, sell 71.50	Triggered (long)	9/11
Holding Tank - red shade leans bearish, green shade leans bullish		
Dicks Sporting Goods DKS - Now waiting for a dip to buy.		8/21
3D Systems DDD - 3D printing back in the market's view. This one seems to be coming off support. Waiting for a fresh breakout		8/29
Home Depot HD - Letting it fall some more after credit card hack before thinking about getting in.		9/3
Gogo GOGO - In-flight internet. The chart is intriguing as a possible buy with fan lines and a higher low. We'll keep an eye on it. Looks like it took off without us. Still looks good enough to buy.		9/8
Apache APA - Beautiful head-and-shoulders classic form. It closed below the neck Tuesday but it may have been an overshoot on momentum. We'll watch for a blip higher and then set the trigger to sell. Bull reversal Wednesday <u>and even bigger reversal Thursday.</u>		9/10
eBay EBAY - Fell sharply on Apple wallet news. Currently in no-man's land and not really oversold. We'd like it to get closer to support to think about buying.		9/12
Sector Watch (observations that may spark ideas)		
Solar Power - Some nice rising trends TSL, SPWR, FSLR, CSIQ.		8/20
Technology XLK - Still leading but it lost its mojo.		8/25
Financial ETF XLF - Banks do not look this good but XLF may have a little uptick in the works relative to the market. Banks may be dragging it down now.		8/25
Discretionary ETF XLY - Now lagging XLP.		9/2
Transports - Rails and air freight leading but all areas stronger than the market		9/5
Healthcare - Including biotech & drugs, now turning higher relative to the market		9/11
Utilities - a major downside trend break and test, falling on-balance volume, a resistance breakout failure and a short-term downside trend break.		9/11
Updates		
none -		

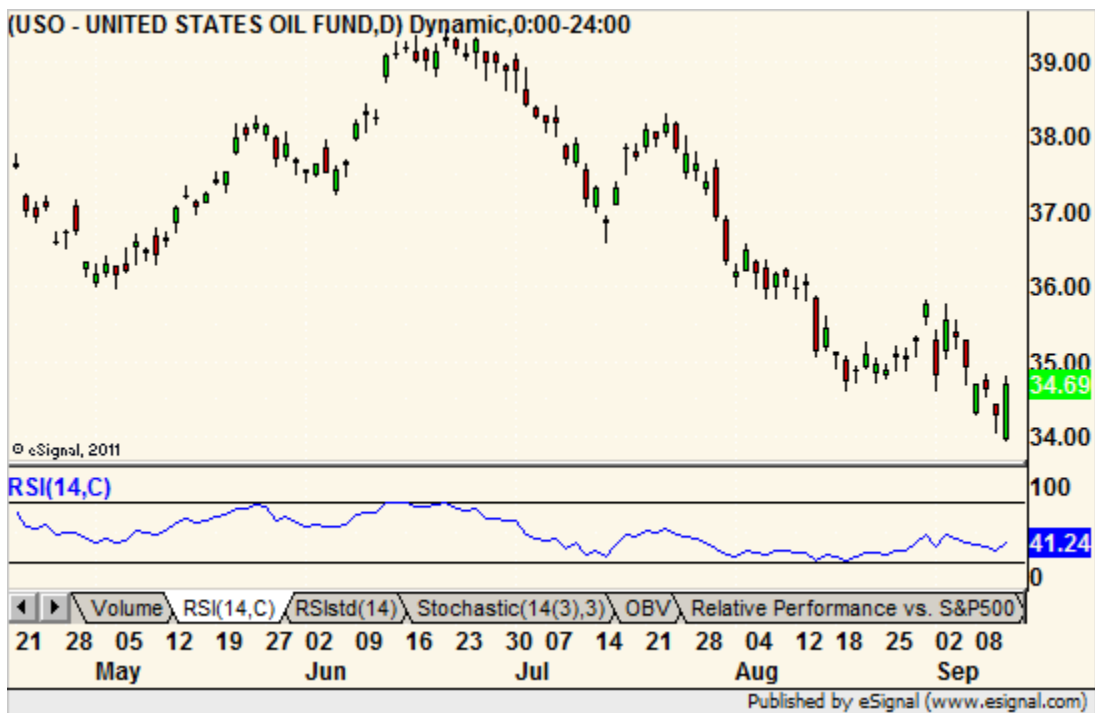
Market Highlights



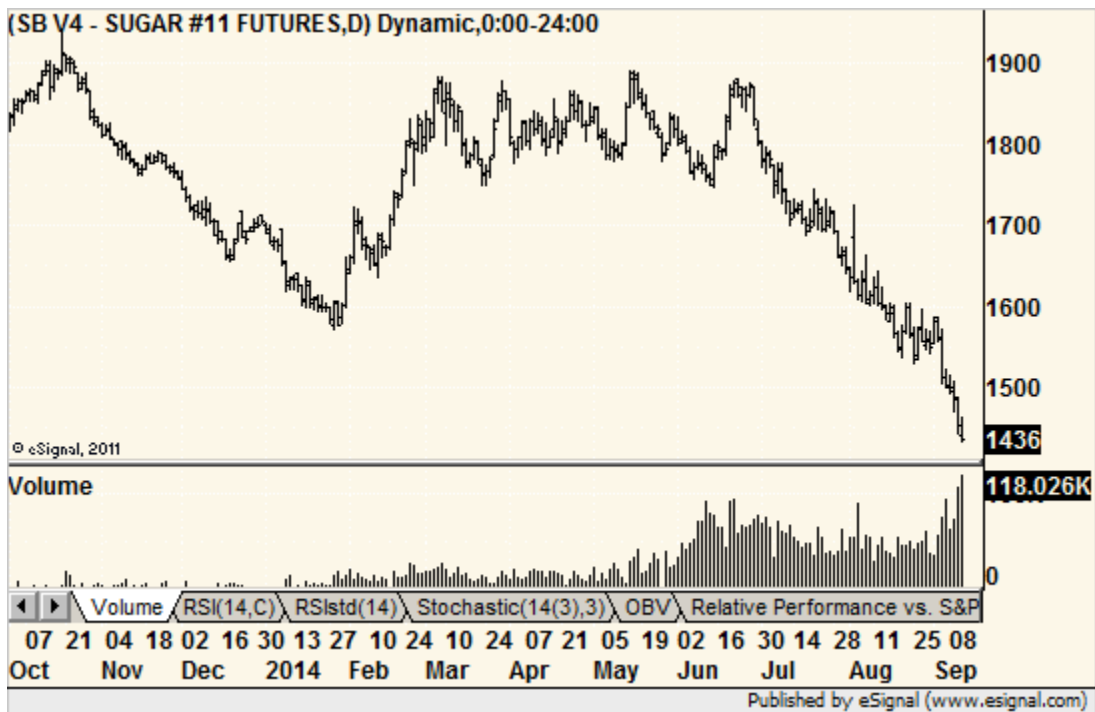
Gold ETF - Yesterday left a hammer candle and save of a support breakdown. However, overnight it set a lower low so if and only if it closes strong today we might see a rebound from here. It is still a weak market.



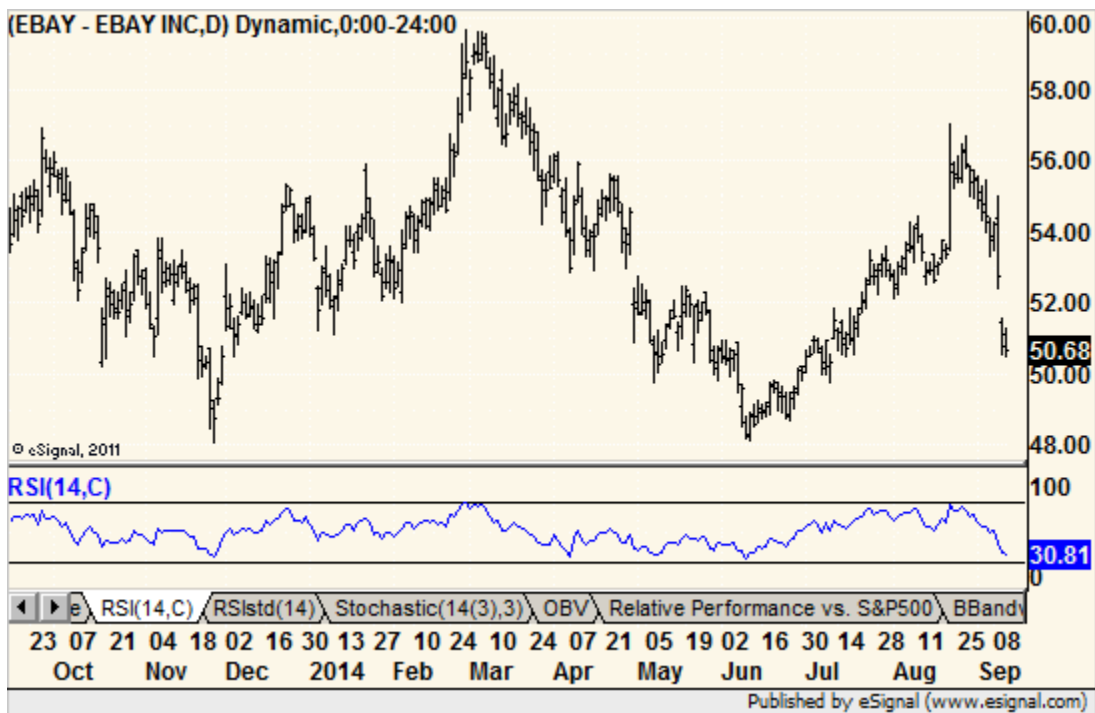
Silver ETF - Check out where this ETF is sitting - strong support. Silver futures sport an early hammer candle so far today.



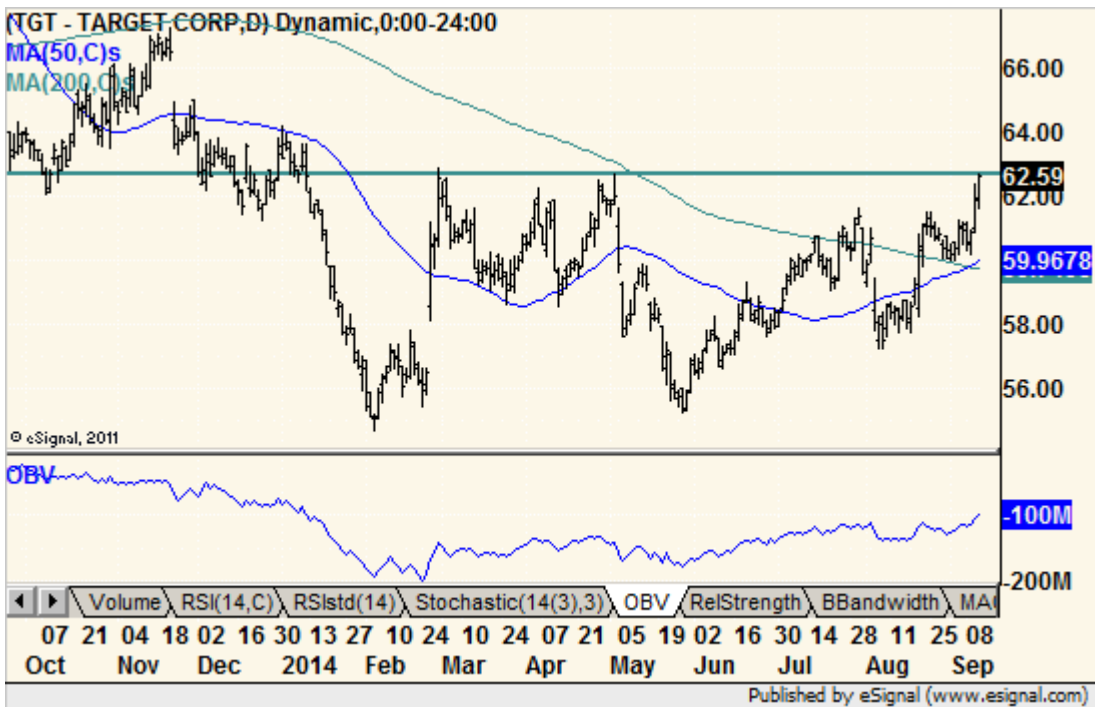
Oil ETF - Bullish engulfing candle



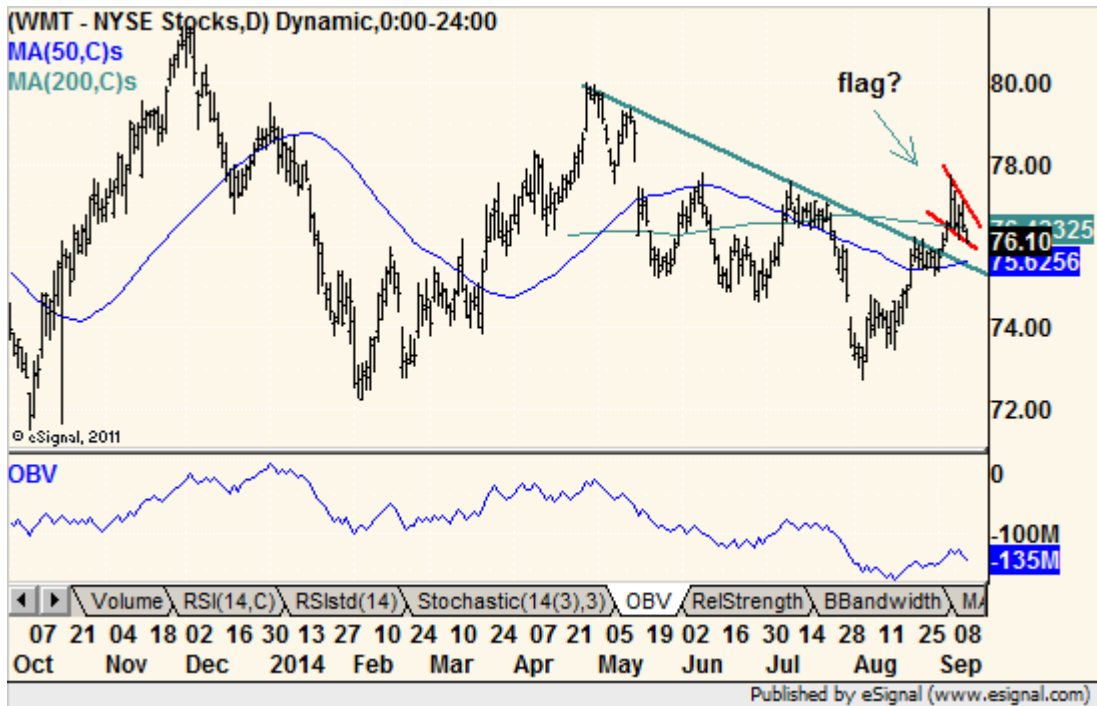
Sugar - One more on commodities. Sugar looks washed out. Waiting for the reversal signal.



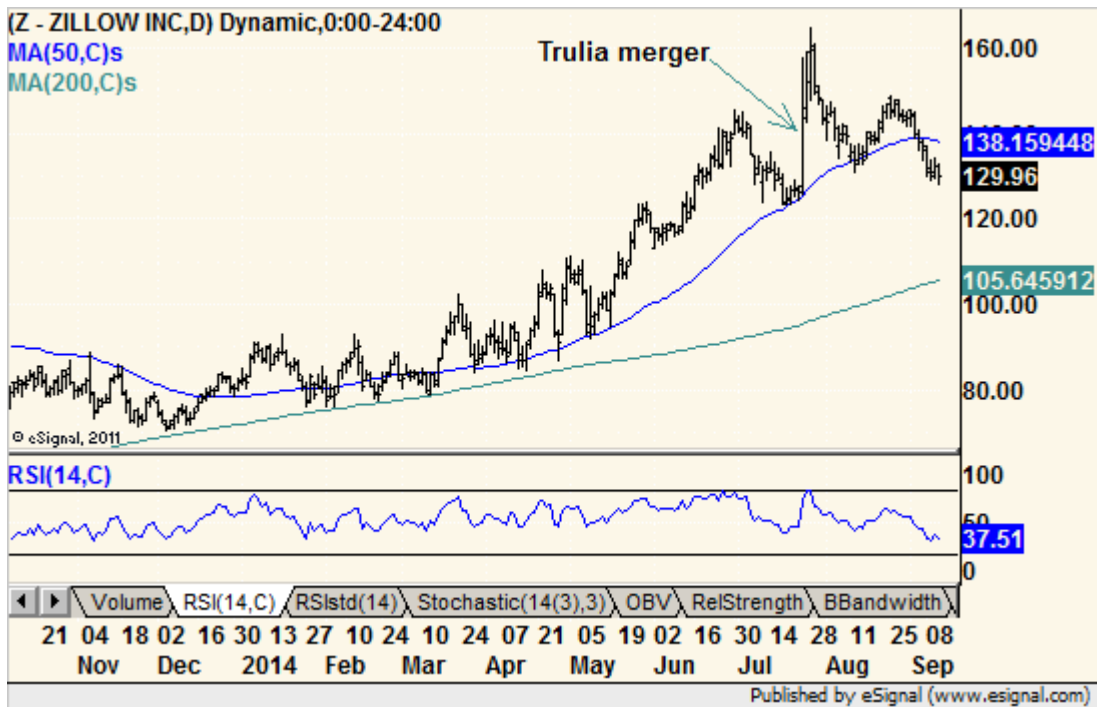
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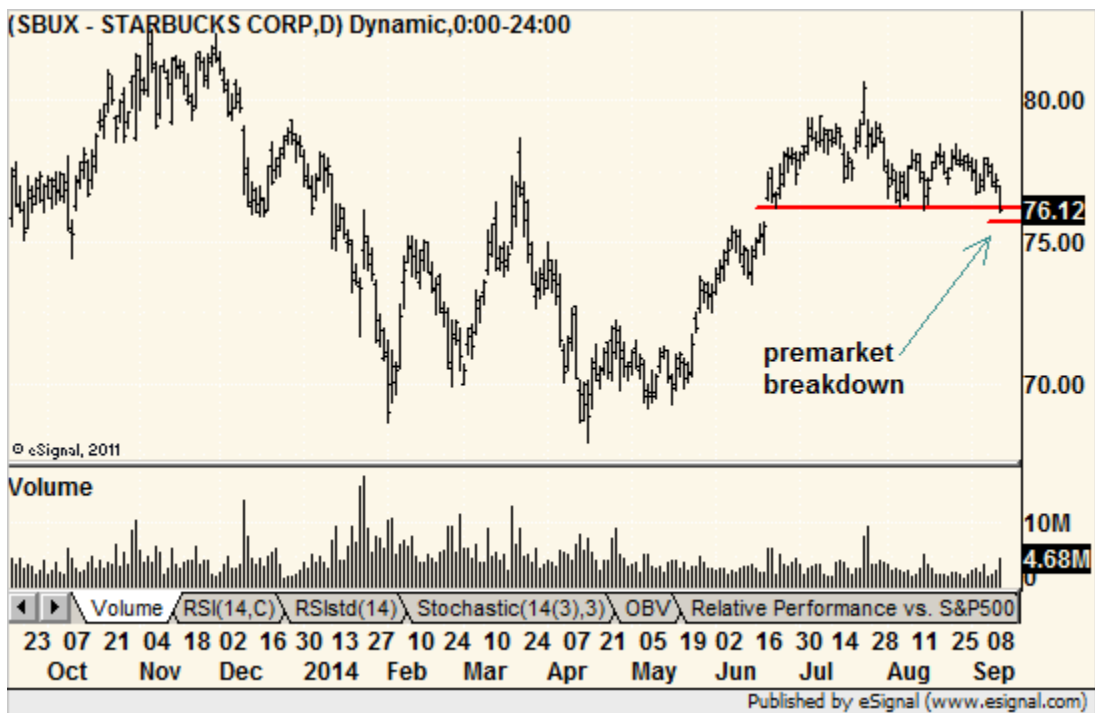
Target - We were looking for one more big decline (to 56-ish) to buy but it rallied away from us. Now at resistance but supporting a bullish moving average cross. Still want to buy a dip but this time because it is at resistance.



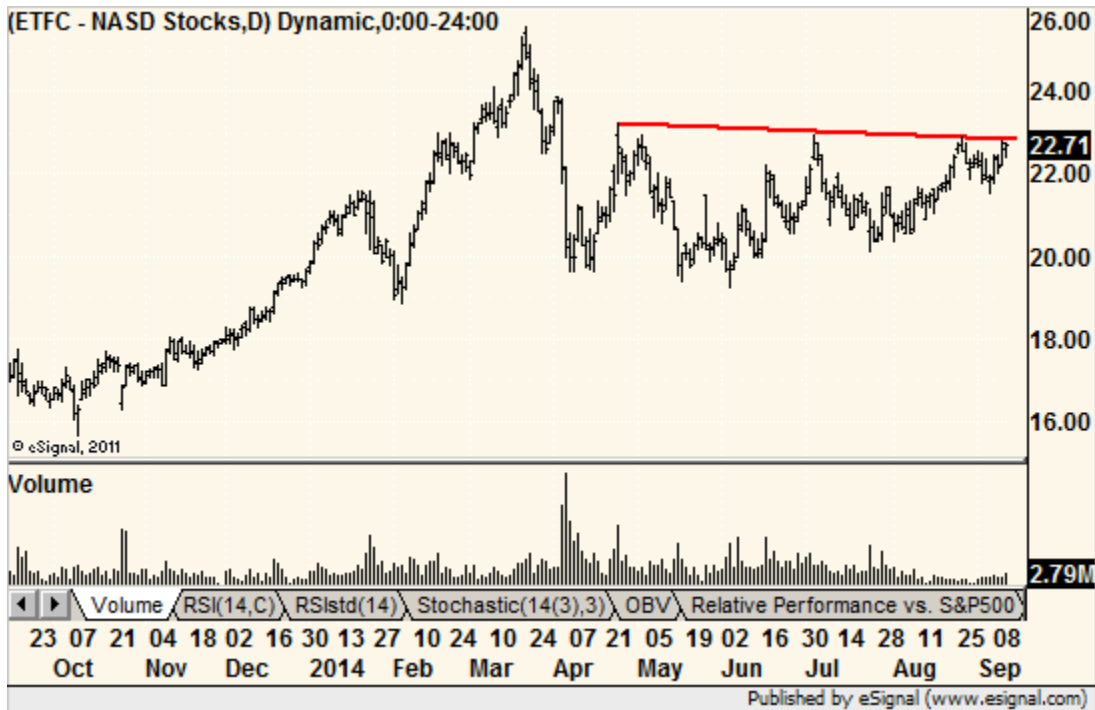
Wal-Mart - This one had a breakout but now is pulling back. If this is a bull flag then we'll wait for the next breakout.



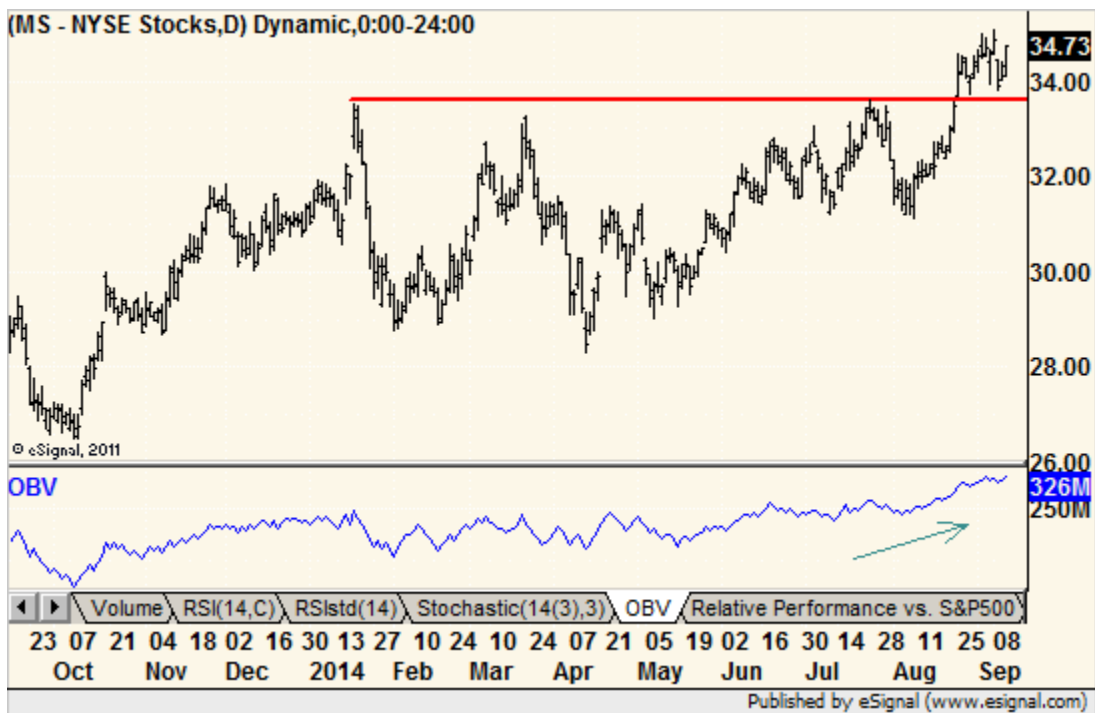
Zillow - This real estate website has backed down from its merger gains and is now below the 50-day average. Could make a nice sell on a test of that break.



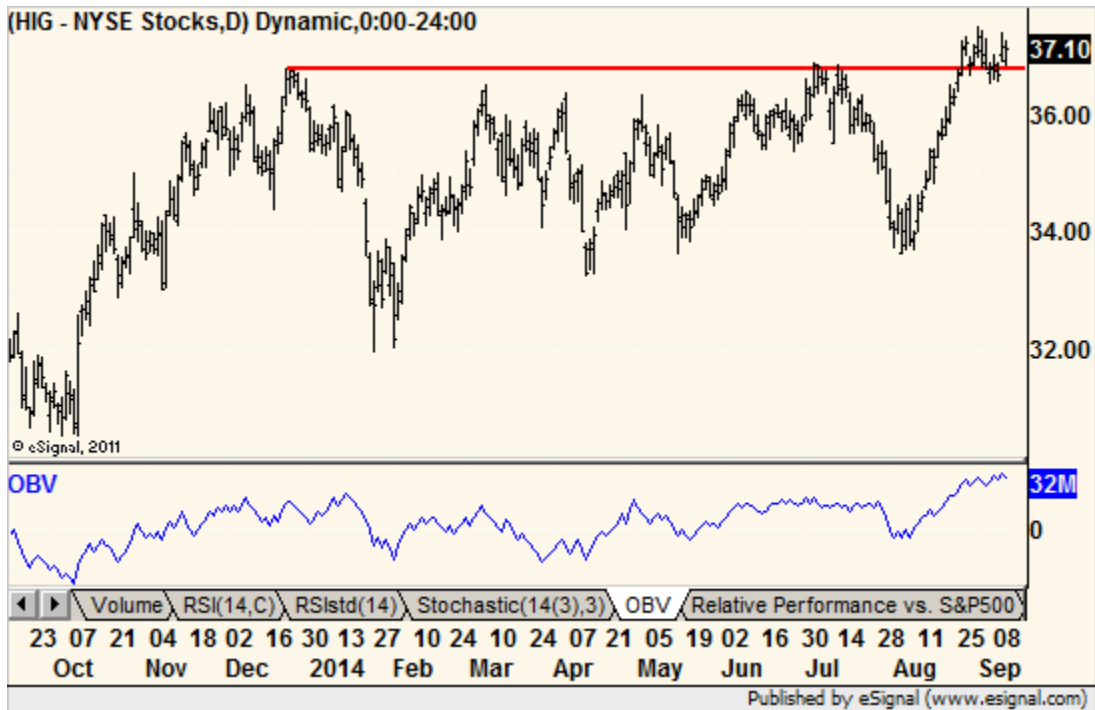
Starbucks - Finally breaking down. It's been on the list since the July spike up failure.



E-Trade - Ready to break out?



Morgan Stanley - Another broker. This one is pausing after a breakout and waiting for another.



Hartford Financial - and insurance stock with the new financial stock pattern of strength

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. **Green** means we closed them. 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>
	SFLY	SHUTTERFLY INC	49.50	-1.9%	48.25	50.47	8/20	22
	GNC	GNC HLDGS INC	38.96	3.9%	38.00	37.50	8/25	17
	MRVL	MARVELL TECHNOLOGY GROUP LTD	13.89	-0.1%	13.40	13.91	8/25	17
	CERN	CERNER CORP	59.36	3.9%	56.50	57.12	8/26	16
	VZ	VERIZON COMMUNICATIONS INC	49.01	-0.3%	48.00	49.15	8/26	16
	K	KELLOGG CO	64.69	-0.5%	63.50	65.00	8/27	15
	DBA	POWERSHARES DB AGRICULTURE FD	25.75	-3.0%		26.55	9/2	9
	TXMD	THERAPEUTICSMD INC	5.84	0.9%	5.45	5.79	9/9	2
	UBNT	UBIQUITI NETWORKS INC	49.60	4.3%	47.25	47.55	9/11	0
	LRCX	LAM RESEARCH CORP	72.62	-0.2%	70.00	72.75	9/11	0
<u>Short</u>	USB	US BANCORP DEL	42.10	1.9%	42.50	42.90	7/11	62
	LVS	LAS VEGAS SANDS CORP	63.65	8.3%	66.00	68.94	8/22	20
	CNX	CONSOL ENERGY INC	38.98	1.6%	40.50	39.60	9/8	3
	CAT	CATERPILLAR INC DEL	105.59	0.0%	110.00	105.61	9/10	1

Notes: Stopped out of **DBA** as commodities are sinking.

New long in **UBNT** triggered.

New long in **LRCX** (barely) triggered.

For a report that wanted to reduce long exposure we are suddenly drawn back to the long side.

Subscriber Corner

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Other Information

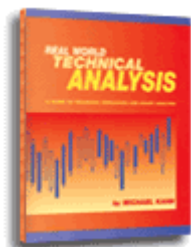
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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