

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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September 15, 2015 – A few more days until we can breathe again. The market did not budge after a 3.5% decline in China overnight so it is clear everything is on hold until the Fed makes its move – or not – this Thursday. Check out the hourly chart:



The **SPY** barely moved yesterday and sits on the lower border of its ascending triangle pattern. In fact, most sectors have the very same look and/or feel so there is nothing to do today or likely tomorrow from a broad market perspective. There may be individual stock stories so short-term traders can still try to make a living. But for most of the rest of us anything we do now would be guessing what will happen after the Fed.

Yesterday's Barron's Online column discussed how the bond market is leaving little room for the Fed to raise rates. Long interest rates are flat with a downside bias.

Of course, that does not mean the Fed will not act anyway. After all, their mandate is done – full employment and stable prices. True, maybe prices are a bit too stable (inflation) but since when does the government consider the quality of the data? With unemployment at 5.1% who cares that the participation rate is at a multi-year low? OK, rant over.

Yesterday, we offered a few stocks that may do well if the market reacts positively to the Fed. Today, we have one more and a few that may do the opposite if the market does not like the Fed's news.

It's all about preparation these next two and a half days.

Index Charts of the Day



Nothing new on the Dow. But we think this chart needs a real kick in the pants to move higher. Without the specter of the Fed we would be ready to go full short even today. But the Fed still looms.



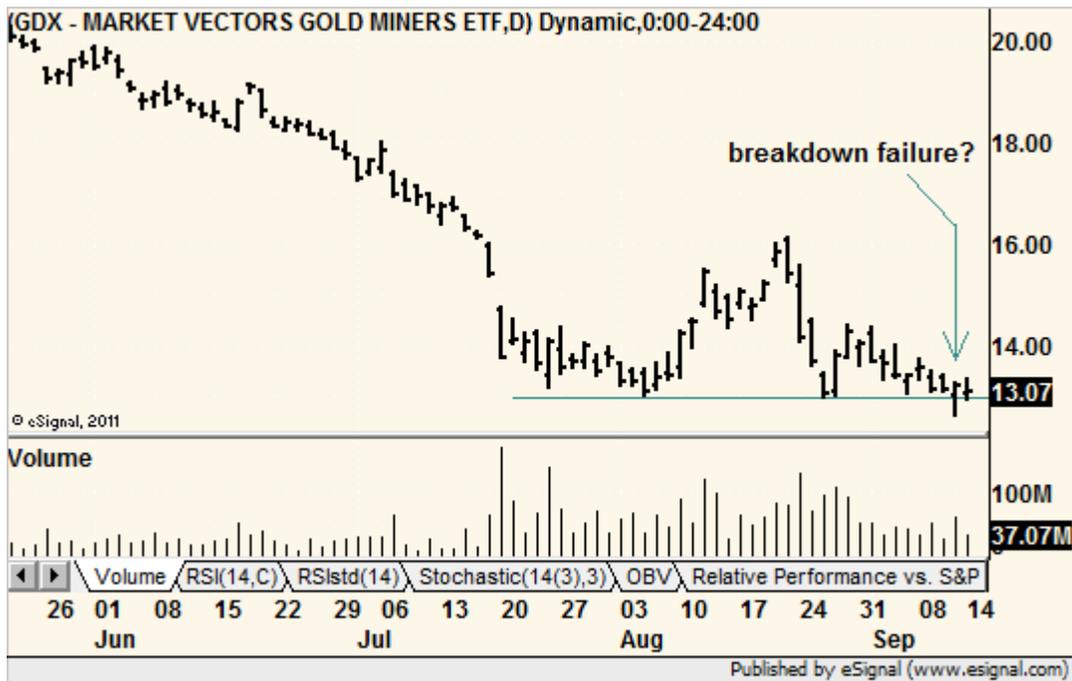
Serious yuckiness in the NYSE composite. Again, the upcoming Fed news still holds the bears at bay for now.

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 close under 89.45.		9/11
Cisco CSCO – How many trendline have to break before we get bearish? One more. Sell close under 25.60.		9/11
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. See chart below – this time for real ☺		8/31
IBM – This stock is down 30% and still looks terrible. But support at 132.50 and a trailing P/E of 9.7 with a 3.5% dividend yield makes it look enticing on the next dip.		9/8
A few stocks that may do well post-Fed – NKE, SBUX, FB, AMZN, HAS		9/14
A few stocks that may do poorly post-Fed – SHW, CF, YUM	New	9/15
Sector Watch (observations that may spark ideas)		
Semiconductors – Nice bear reversal on the weak SOX index.		9/10
Updates		
none –		

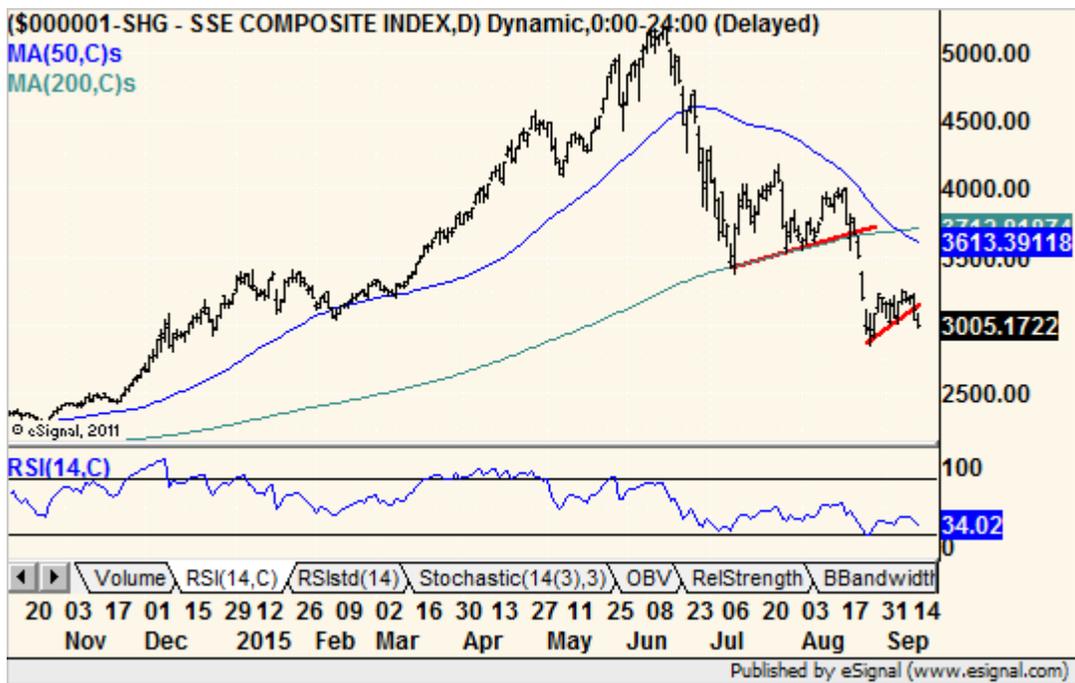
Market Highlights



Gold Miners ETF – This is a small victory for the bulls as the ETF dipped below support and then closed with a small gain last Friday. Not a reason to buy but perhaps the first in a mounting body of evidence to do so later. See next chart...



Gold Miners ETF – This chart is clearly not bullish but again there are bits of evidence. This one is big volume in recent weeks.



China – Breaks again. This is a bear market and should be treated as such.



Libor – Still not even close to the 2011 stock market correction levels and even farther below the peak in 2007 but Libor has been rising all year.



Sherwin Williams – Paint retailer with a lousy chart. This is a sell candidate if the market reacts poorly to the Fed.



CF Industries – This is in the lousy fertilizer group, which is mostly at 52-week lows. Now playing catch-up to the downside. Big loss Monday so we look for a bounce pre-Fed so we can sell it afterwards if the market does not like the news.



Yum Brands – Restaurants look weak. This one is in decline, under the averages and bleeding on-balance volume.



Hasbro – Add this toy maker to the list of candidate that could do well if the market likes the Fed news.

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	11.78	11.2%	12.50	13.10	7/27	49
	FDX	FEDEX CORP	150.23	8.8%	155.00	163.50	8/20	25
	CMG	CHIPOTLE MEXICAN GRILL	726.80	-0.9%	740.00	720.01	8/20	25
	AGN	ALLERGAN PLC	295.96	5.3%	310.00	311.51	8/28	17
	PFE	PFIZER INC	32.71	1.8%	33.50	33.30	8/28	17
	MSFT	MICROSOFT CORP	43.04	1.2%	44.50	43.56	8/31	14
	KO	COCA COLA CO	38.10	2.1%	40.00	38.90	9/2	12
	ESRX	EXPRESS SCRIPTS HLDG CO	84.14	1.0%	87.00	85.00	9/9	5
	FB	FACEBOOK INC	92.31	-1.4%	94.00	91.00	9/9	5
	NFLX	NETFLIX INC	95.69	2.4%	101.00	98.00	9/9	5

Notes: Trailed **NFLX** stop lower to keep it at 5-6%.

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

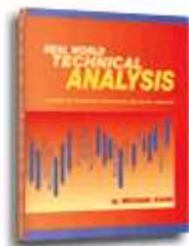
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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