

QUICK TAKES PRO

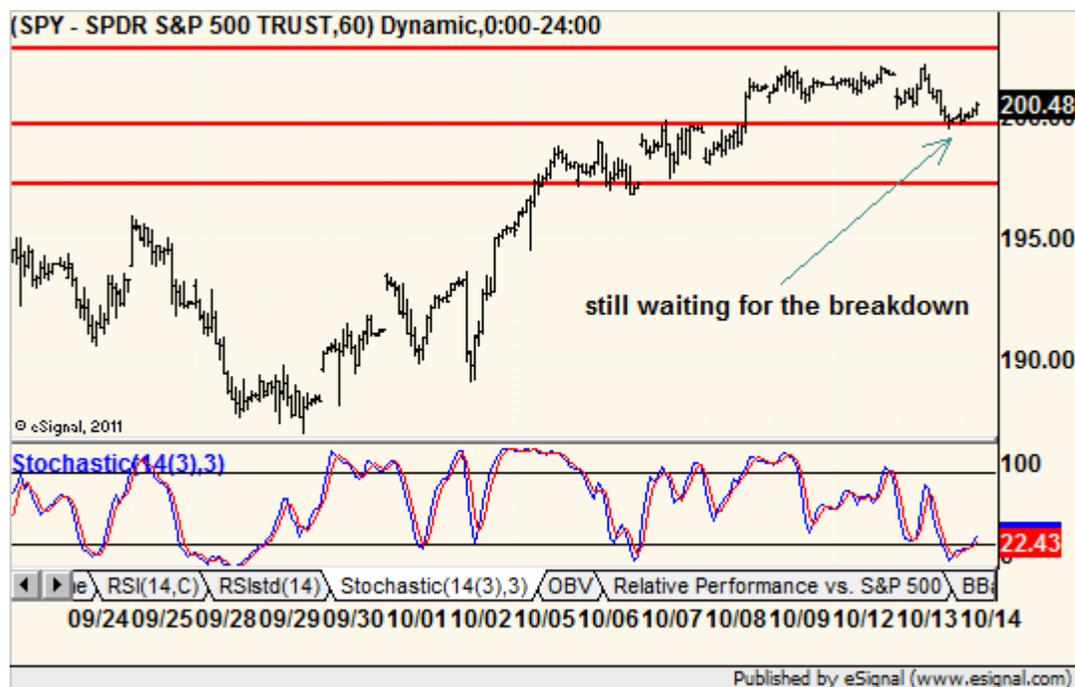
"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

October 14, 2015 – Tuesday was rather non distinct on all fronts. Little movement in prices. Flip-flopping breadth. Low volume that barely beat out Columbus Day holiday levels. Perhaps the only interesting thing was that retail and homebuilding had decent declines (two of our four horsemen) and biotech looks to be breaking down yet again. Toss trucking breakdowns in the mix, just for fun.

In the media, big bold bullish stories seem to match big bold bearish stories. Lots of passion from both sides. Not exactly anything to help us other than point out that volatility is still with us despite the falling **VIX**.

With that on the table, there is little we can do today. We still think there is more downside ahead yet the market has punished us so far in October. This despite what seem to be weak earnings at the start of this earnings season. It is probably better that we wait for clarity before risking more capital.



This chart shows where the end of the October rally would be confirmed. Until then, we have to stay on the sidelines in terms of short-term trading.

Index Charts of the Day



It was indeed an outside-day reversal but on low volume. It did happen at the September high but not at real resistance as shown. So, we pay attention but take little action.



This chart of the NYSE composite really drives home the fact that there is a ton of overhead resistance. And yesterday's decline may have been the start of the fall from that zone.

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		
Energy ETF XLE – Double bottom breakout but it did not pause first. Makes us a little nervous to chase. Waiting for a dip. Buy 66.	Moved	10/6
Corporate Bond ETF LQD – This is a nice base forming and a breakout could be buyable. <u>Buy close over 116.75</u>	Moved	10/12
Bearish Implications		
Teleflex TFX – This medical supplies stock makes single use diagnostic devices. A break of support targets the next support at 109. Sell close under 122.90.	New	10/14
Unknown Implications		
none –		
Holding Tank – red shade leans bearish, green shade leans bullish		
Macys M – We want this stock at around 47.		9/30
Bed Bath & Beyond BBY – Retailer looking good if it hits bottom of massive trading range at 54.60.		10/1
3M MMM – Double bottom breakout – or is it? Volume says otherwise. Waiting at least for a test.		10/8
Fluor FLR – A heavy construction cyclical to watch. Waiting for a test.		10/9
Sonoco Products SON – This is the packaging stock, not the oil refiner. A possible buy candidate if we are wrong on the market. Trend break. Good momentum. Looks better than many of its industrial peers.		10/9
Sector Watch (observations that may spark ideas)		
Emerging Markets ETF EEM – If commodities are coming back we will keep an eye on the trendline from April here. Possible breakout		10/6
Oil Services ETF OIH – Arguable trendline breakout. Waiting for a dip. A little more.		10/6
Industrial Metals Group – Moved above resistance for an arguable double bottom breakout. We say arguable because it did not pause at resistance first. That makes it prone to failure or at least to a pullback to test the breakout.		10/8
REIT ETF IYR – Watching March trendline. <u>Buy trigger soon but not today.</u>		10/9
Updates		
none –		

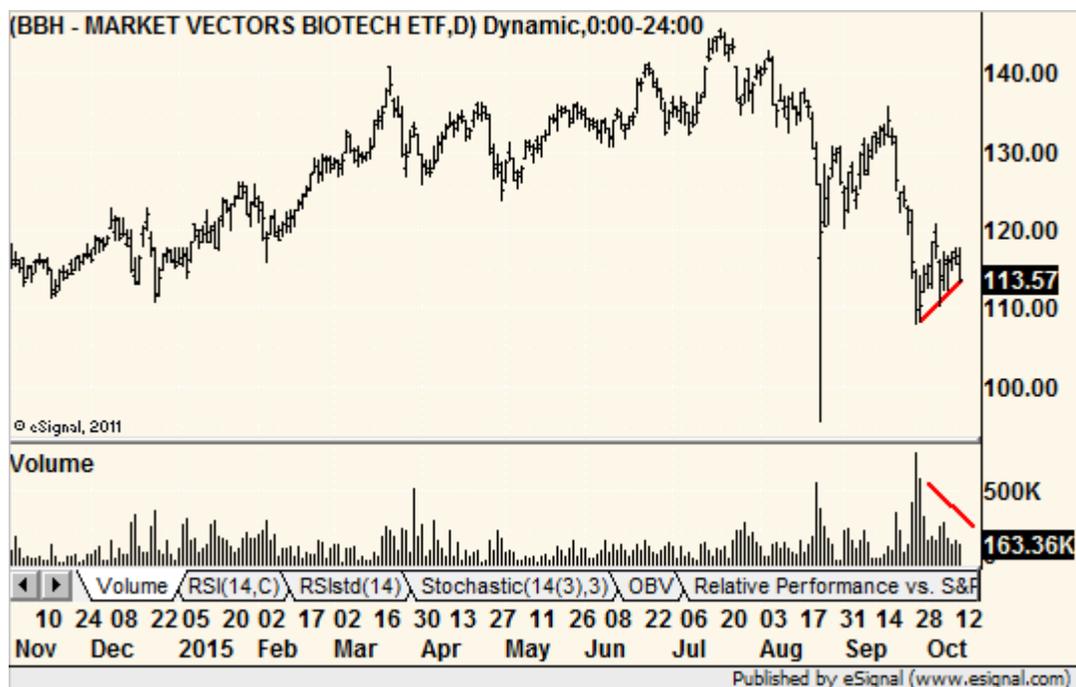
Market Highlights



Crude Oil – Just about at support where we will likely resume bullish thinking.



Trucking – It is not a perfect trendline but it did its job as resistance. This suggests either a weak economy or rising oil/fuel prices.



Biotech ETF – This is a different ETF than we’ve been posting lately but it shows a similar bear flag-like pattern. Avoid. Or see next...



Teleflex – This medical supplies stock makes single use diagnostic devices. A break of support targets the next support at 109. Sell close under 122.90.

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>	WMT	WAL-MART STORES INC	66.73	1.3%	64.00	65.87	10/5	8
	GDX	MARKET VCTRS GOLD MINERS ETF	15.87	-4.5%	15.60	16.61	10/12	1
	MW	MENS WEARHOUSE INC	43.26	-2.8%	42.50	44.51	10/12	1
<u>Short</u>	ESRX	EXPRESS SCRIPTS HLDG CO	83.94	1.3%	84.00	85.00	9/9	34
	TMK	TORCHMARK CORP	57.41	-1.8%	59.00	56.35	9/28	15
	GS	GOLDMAN SACHS GROUP INC	180.97	-1.0%	187.00	179.19	10/9	2
	AAPL	APPLE INC	111.79	-1.6%	117.00	110.00	10/9	2

Notes: Bear reversal in **MW** the day after we bought it. This is happening more than a little these days. Volume was very low so we'll hang on.

Tightened stop in **WMT**.

Other Information

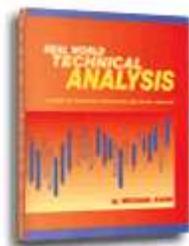
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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