

# QUICK TAKES PRO

*"TECHNICAL ANALYSIS FOR EVERYONE"*

MICHAEL KAHN  
RESEARCH LLC

**October 29, 2014** – The final word on Stocktoberfest was two words. We already discussed millennials and how they are changing the face of commerce and business in general. The other word is “curate” as in monitoring, filtering and selecting the information providers you want to follow from the giant firehouse that is the Internet. Major information portals are in trouble save for the few that still produce quality and verified premium content.

As you know, the market took off yet again Tuesday. Exchange volume was up a bit but still far from levels we’d associate with such a big move. And the biggie, small caps were up huge. The Russell 2000 was up 2.9% and the Russell microcaps were up 3.1%. Unbelievable.

All economic news took a back seat to the Fed, which started the meeting yesterday and is expected to say today that QE is done but all else will be dovish. Buy the rumor? Whatever the reason, it is the most perplexing market and once again it revolves around the Fed.

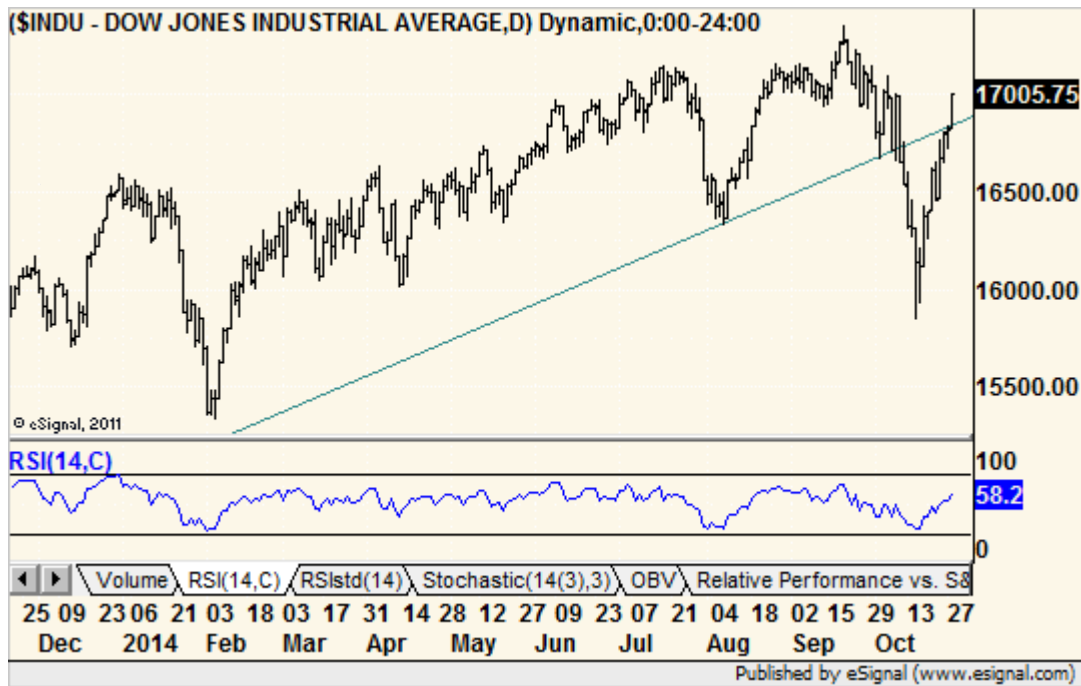
And one day after being declared dead, energy came roaring back. It wasn’t due to oil as the commodity was up only slightly. We are glad that we are not holding too many positions and none short despite our view that this rally should have ended already.



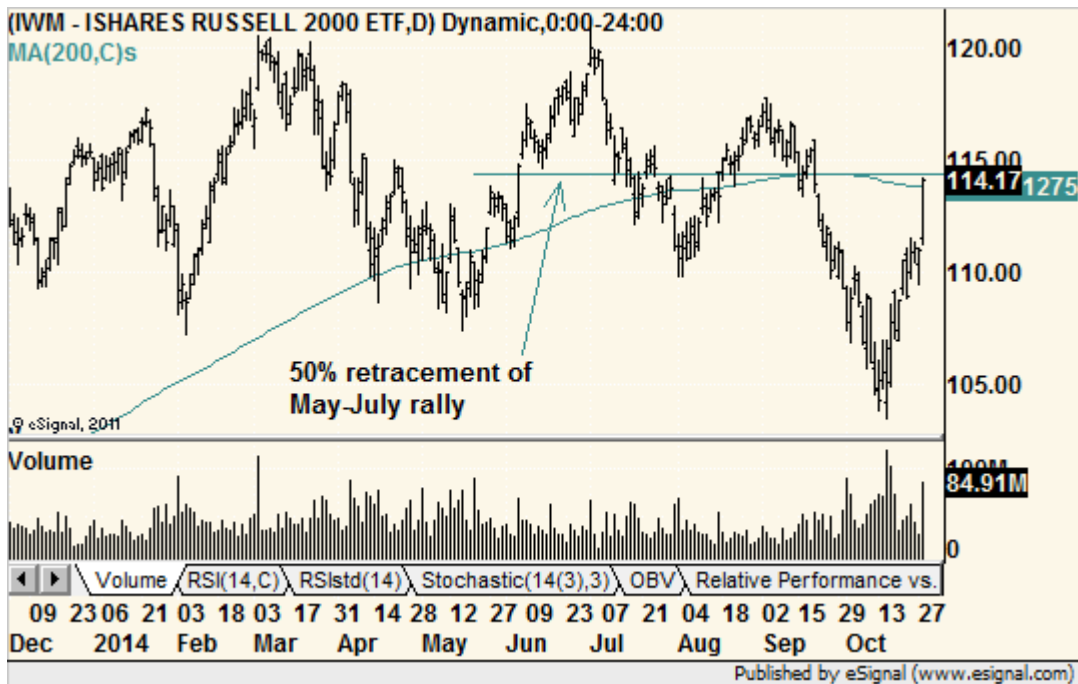
There was a bit of improvement in RSI on the hourly chart but the trendline as shown seems to be the real guide right now. As long as it holds, we have to hold our bearish views to ourselves.

We are traveling today so we are keeping it short in the report with no new stock picks or pans. That is probably a good thing as the Fed will speak before we land back in New York.

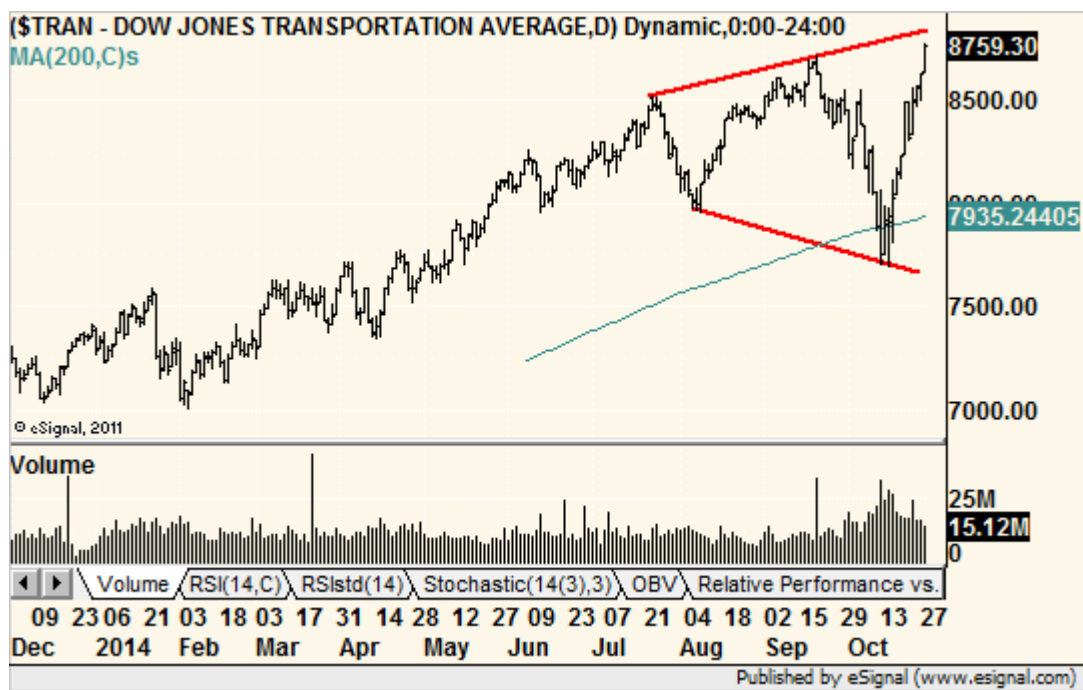
## Index Charts of the Day



How can we argue with a recapture of the broken trendline?



This is the type of price and volume surge for the Russell ETF that we'd like to see in a follow-through day. Unfortunately, that window closed last week. The 50% line was left on the chart from before but it now seems to be back in effect, as is the 200-day average.



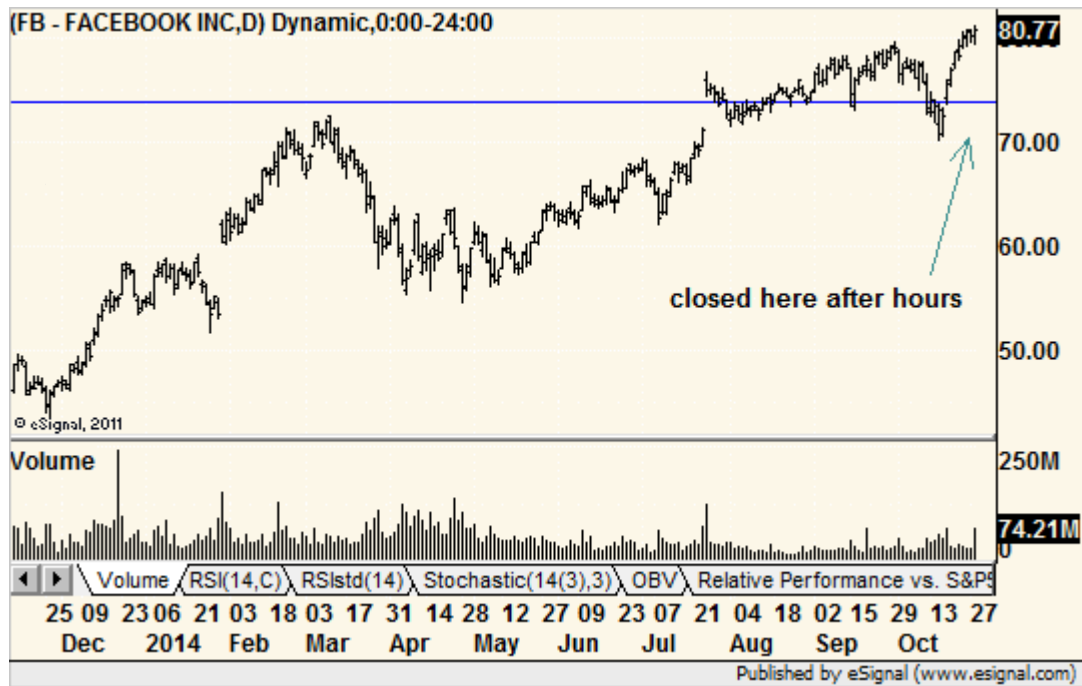
The transports are now close enough to the top of the expanding triangle pattern to worry.

## The Radar Screen

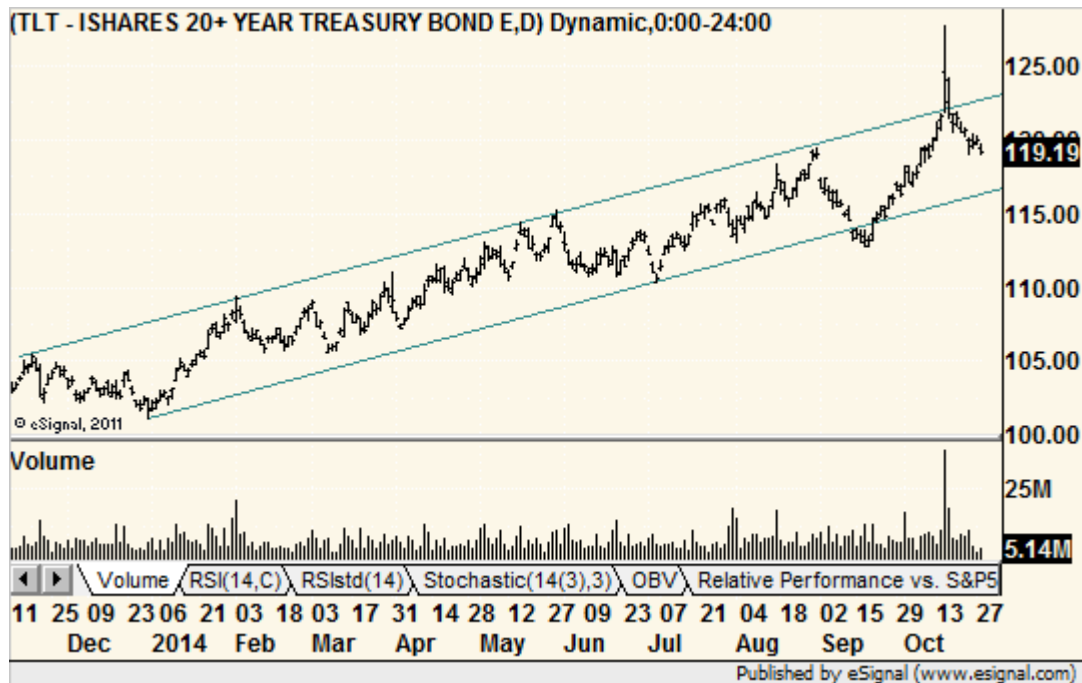
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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.

<b>Bullish Implications</b>		
<b>Krispy Kreme</b> – Why not? Peer <b>DNKN</b> survived its chart and this one is above its averages. Buying a positive close.	<b>Triggered</b>	10/28
<b>Bearish Implications</b>		
<b>none</b> -		
<b>Unknown Implications</b>		
<b>none</b> -		
<b>Holding Tank</b> - red shade leans bearish, green shade leans bullish		
<b>Pep Boys PBX</b> - This auto parts retailer is pulling away from its lower Bollinger Band, near support with rising RSI. A good one to watch here. <b>Well, that one got away.</b>		10/22
<b>Sector Watch</b> (observations that may spark ideas)		
<b>Banks</b> - <b>KBE</b> ETF made a big move and is now back within the large triangle.	<b>Changed</b>	10/23
<b>REITs ETF IYR</b> – strong in the short-term but waiting for relative performance breakout		10/27
<b>Updates</b>		
<b>none</b> –		

## Market Highlights



**Facebook** – Earnings seemed OK but the market did not like it. Not quite the technical breakdown Twitter saw yesterday.



**T-bond ETF** – Still falling. Does the bond market know something about the Fed?

## 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>
<u>Long</u>	<b>AMTD</b>	TD AMERITRADE HLDG CORP	32.32	4.7%	31.00	30.80	10/21	7
	<b>MANH</b>	MANHATTAN ASSOCS INC	38.85	10.1%	37.00	34.93	10/21	7
	<b>LOCK</b>	LIFELOCK INC	16.10	1.2%	15.50	15.91	10/24	4
	<b>ALL</b>	ALLSTATE CORP	63.23	0.8%	61.00	62.71	10/27	1
<u>Short</u>	<b>none</b>							

**Notes:** Raised stop on the longs

Covered short in LLTC at the open for a 7.0% profit in 27 days

## 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

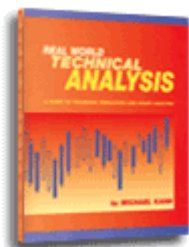
**About** - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen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



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