

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

MICHAEL KAHN
RESEARCH LLC

November 14, 2014 – Chop, chop, chop. Nothing is really changing in the stock market in the short-term so we fall back to what was in place before. That would be a rising trend with tons of warning signs.

With that said, we see some rotational changes as biotech stumbles and retail powers up. Just look at **WMT** yesterday. And **TGT**.



While the market has not done much, it has created an hourly range or a support to watch.

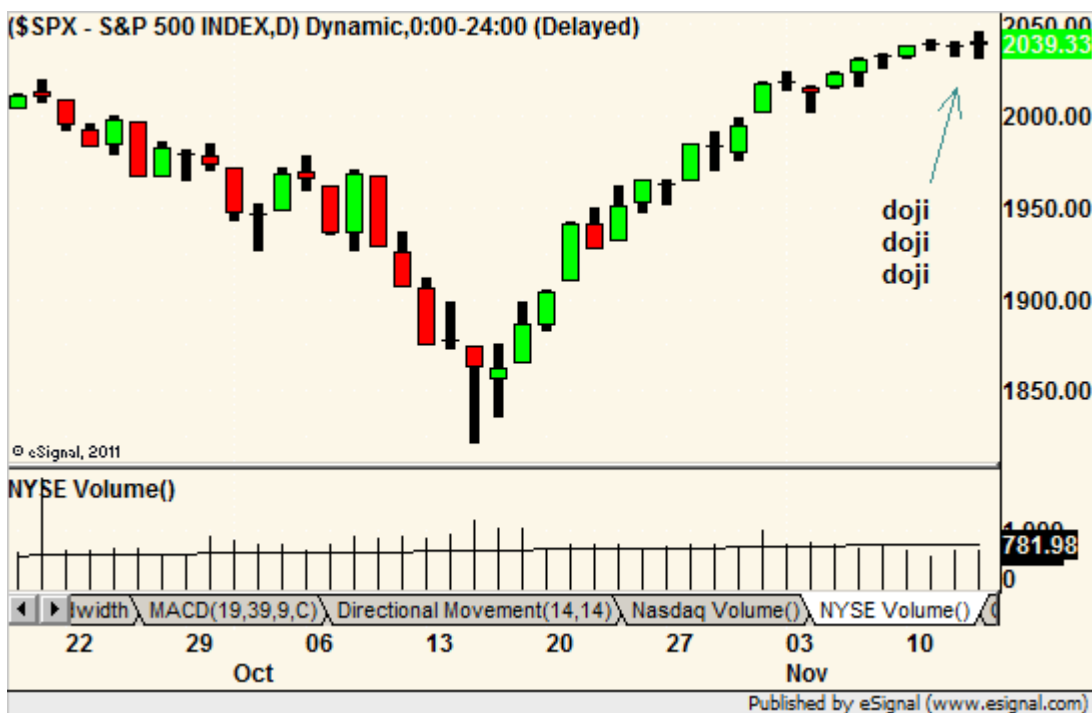
We really do not have a lot to add today so I'll offer some of the observations made at the MTA Educational Fundraiser annual fundraiser last night. The panelists were split all over the place on market direction with three bulls and one serious bear. The bond market was a serious issue for the bear, too.

They were split on that, too, so my takeaway was that the market's now are more unsettled and confusing as ever. They commented on the race to the bottom in currencies as everyone prints money. Perhaps that is the reason for the confusion.

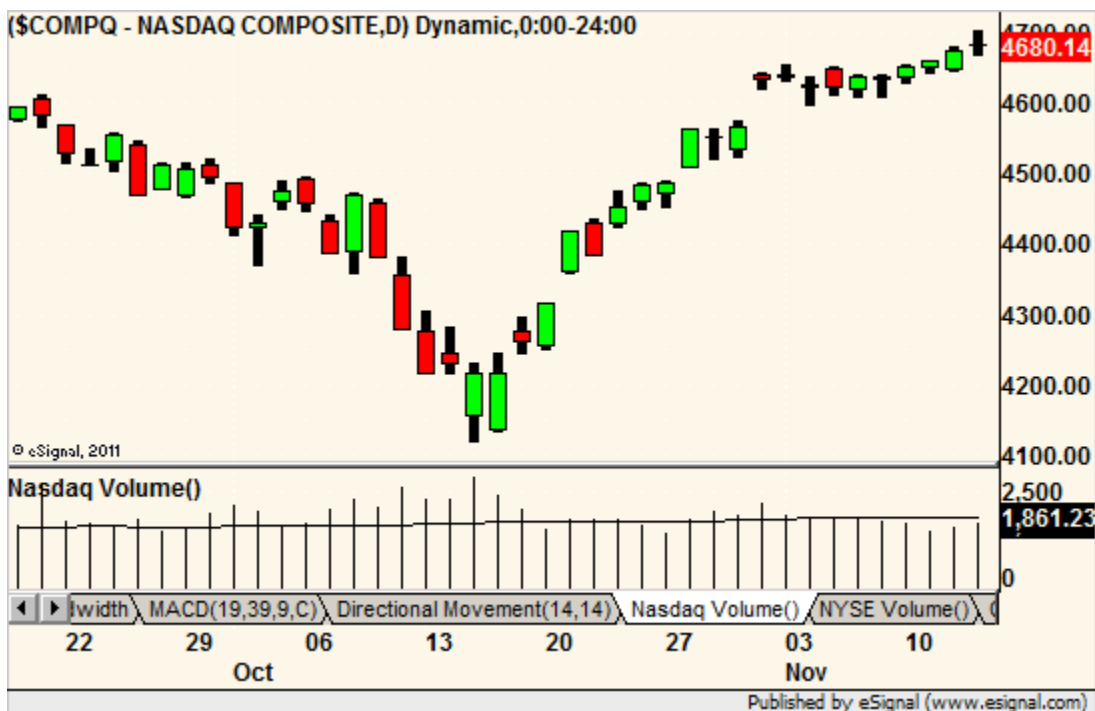
Aside from the US being the prettiest ugly sister, the one practical comment was that with falling oil prices the Q4 GDP number cannot be weak.

Also, Sam Stovall from S&P Capital IQ is a riot!

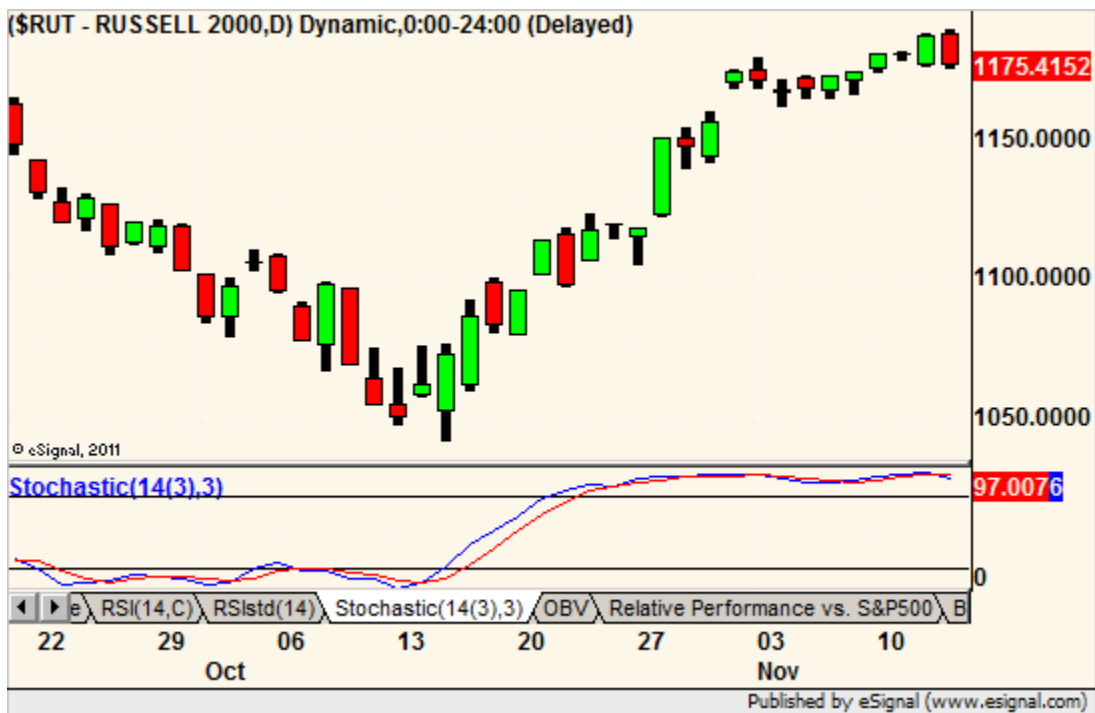
Index Charts of the Day



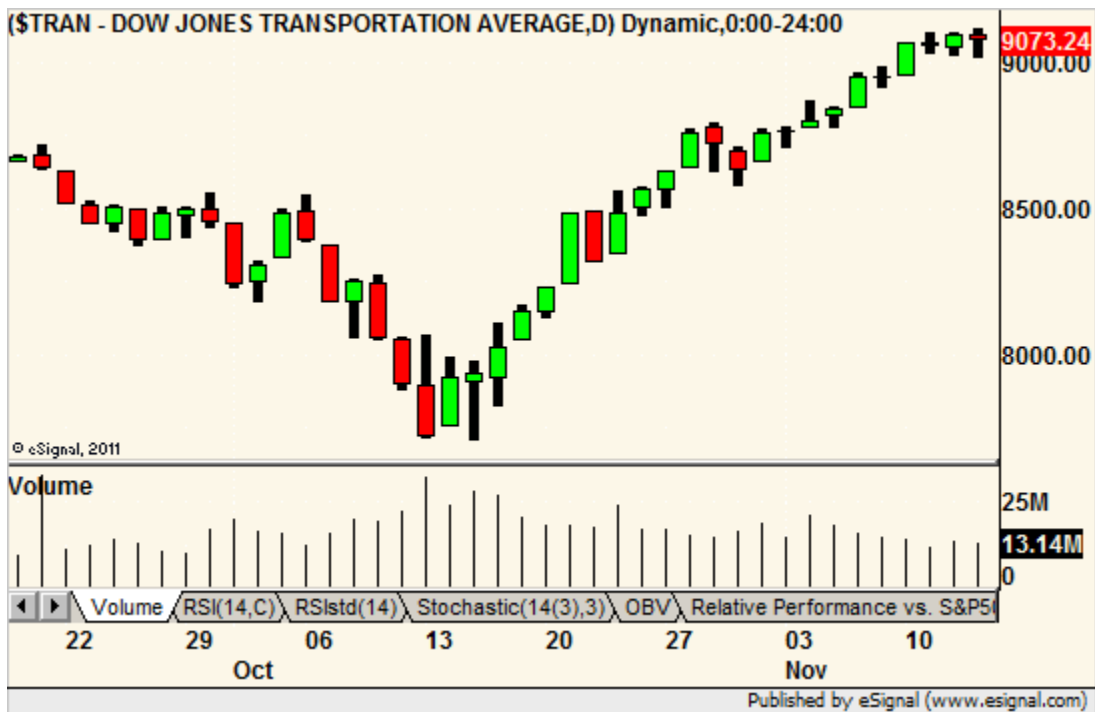
To be blunt, absolutely nothing has happened to the S&P 500 over the past three days.



The Nasdaq has a more positive bias but there, too, there is nothing to report. Perhaps the rally to new highs is failing but we cannot know that until we see a day actually dominated by selling. So far, none.



The Russell sports a bearish engulfing line from yesterday. Small caps are still not the place to be.



The Transports don't show much either although the falling volume rising price trends are still in place.

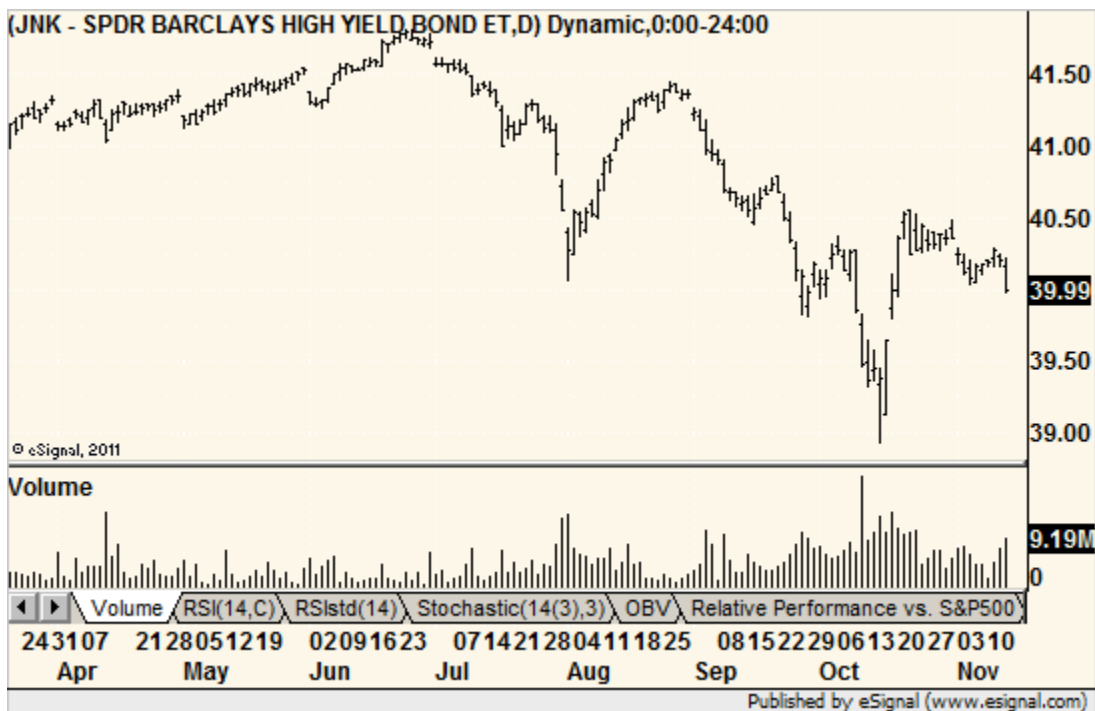
Conclusion - The trend is still up but it shows all sorts of problems. All it would take is one big rally day to fix it but until that happens we are not chasing this market.

The Radar Screen

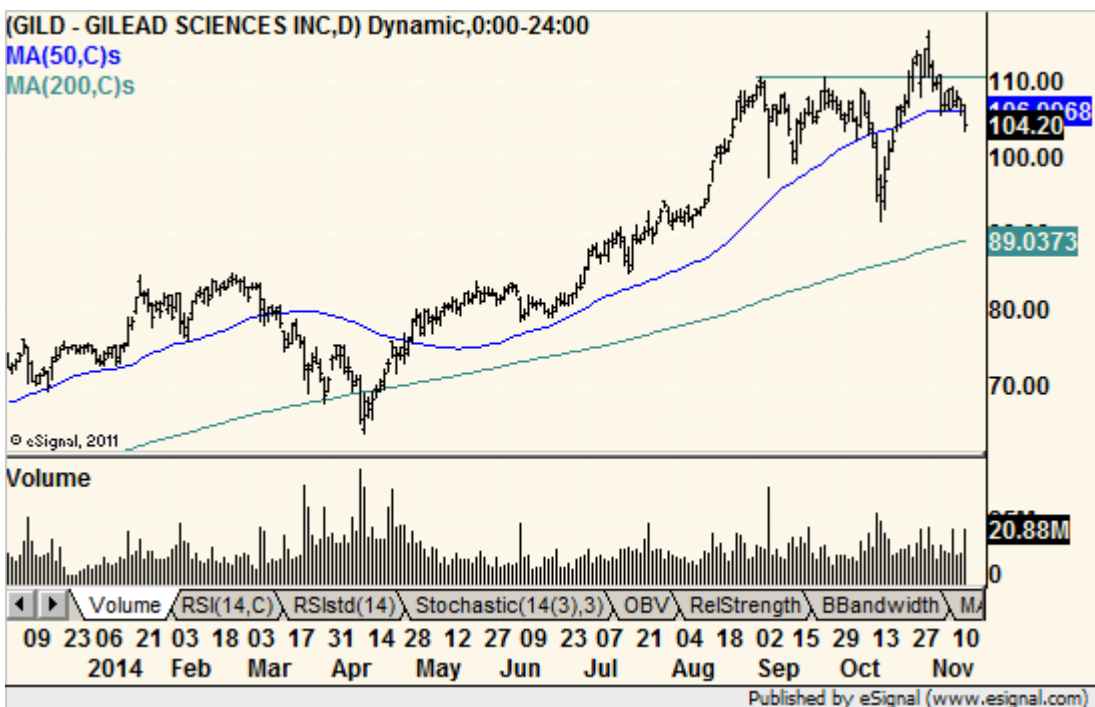
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
Tile Shop TTS - Selling climax. A move above resistance at 9.13 would be a good entry. Going the wrong way <u>so we are moving on</u> .	Removed	11/7
Noodles NDLS Inverted head-and-shoulders, rising on-balance volume, good momentum, and above the 50-day average. Broke the neckline of an inverted H/S pattern on a monster gap but now it has pulled back sufficiently. We'll buy over 24.25. If it falls more, then we'll reset yet again.		11/6
Lululemon LULU - This stock has been tumbling, especially on earnings reports, that is until the last one in September, which was better than expected. A breakout above 46 targets 54.	New	11/14
Dicks Sporting Goods DKS - Following in the lead of WFM , this one has finally emerged from its base. Yesterday's pullback tested that breakout and now looks buyable again.	New	11/14
Jive Software - This is normally not our style but the gap up through the 50-day with nice volume then and yesterday on the follow through look nice right here. Warning - negative earnings.	New	11/14
Bearish Implications		
none -		
Holding Tank - red shade leans bearish, green shade leans bullish		
Odyssey Marine Exploration OMEX - This deep water explorer is not looking for oil but for minerals and salvage. Its chart shows an inverted head-and-shoulders with rising RSI. <u>Huge</u> volatile Tuesday. Not so sure any more.		11/11
Staples SPLS - Yet another retailer with a bottoming pattern. The slanted line shows a breakout when using intraday levels. The horizontal line is through the closes set earlier in the year. We'd like to see a pause here and then a breakout to buy. All else from on-balance volume to momentum looks good.	New	11/14
Sector Watch (observations that may spark ideas)		
Gold Miners - Extreme bearish sentiment and nearing its 2008 lows.		11/3
Hotels - Some, not all, have weakened considerably.	Removed	11/3
Marine Transportation - Major breakdown and successful test of that break.		11/5
Energy - Still avoiding. Our set of better looking drillers also broke so no harm, no foul. RIG, DO, NBR		11/5
Airlines - Very far above moving averages. Looks like it will snap back.		11/7
Broadline retailers ETF - This group contains TGT, WMT, COST and AMZN among others. On-balance volume has been rising for months even as the sector index floundered. A positive sign.		11/11
Retail - Lots of bottoming setups all over SPLS, DKS, WFM, LULU	New	11/14
Updates		
Cisco CSCO - breakout		
JPMorgan JPM - breakdown		
General Electric GE - Possible breakout failure. Still early but one more down day would confirm.		
Pfizer PFE - Possible breakout failure. Also need to confirm.		
Chevron CVX - breakdown		

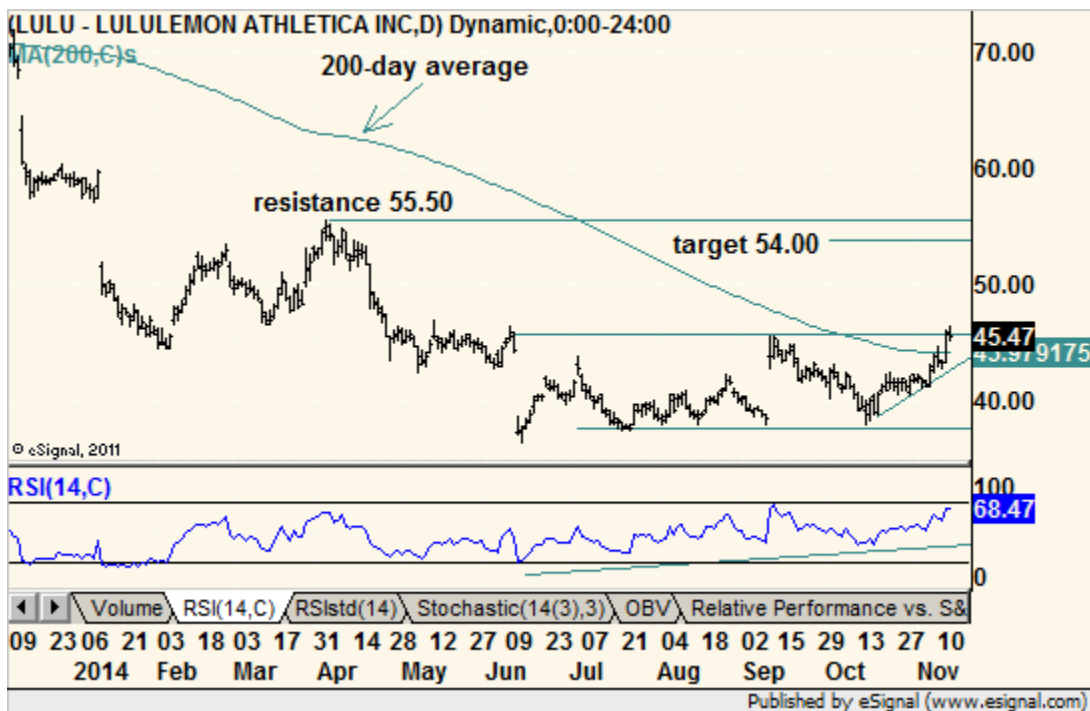
Market Highlights



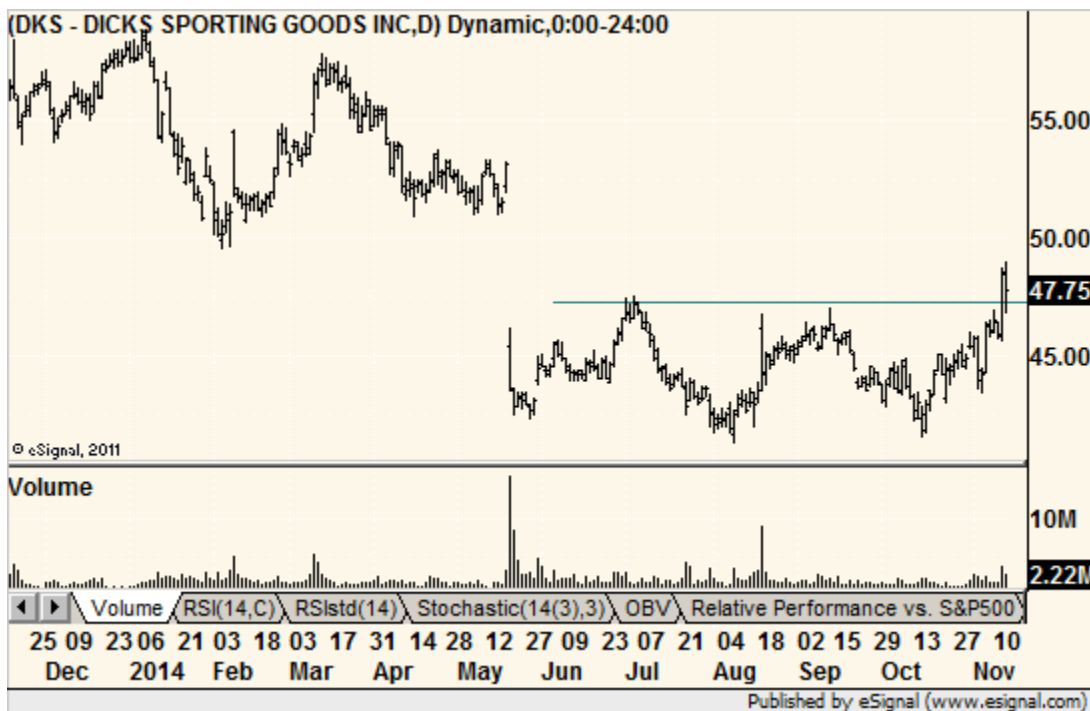
Junk Bonds ETF - For a stock market that is still rising, this decline in junk bonds should be quite disturbing.



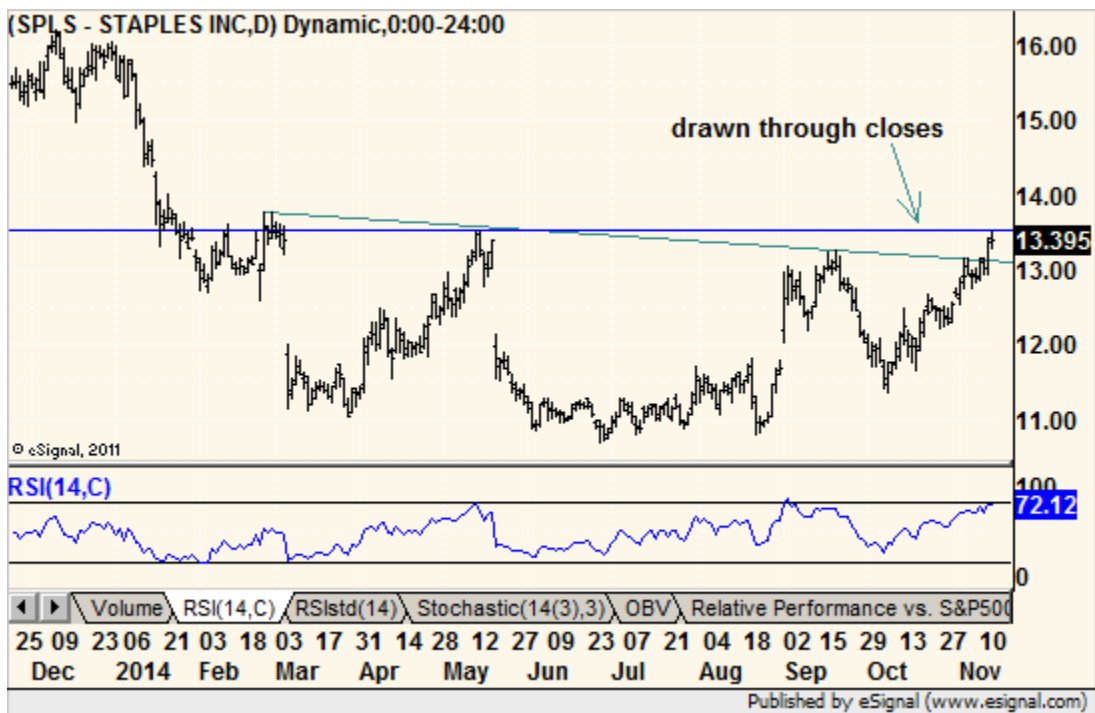
Gilead Sciences - My editor at Barron's said that this biotech is very hot with readers (the quote was, "like crack"). That's why this breakdown is significant for the entire sector. We think the biotech leadership role is quite dead.



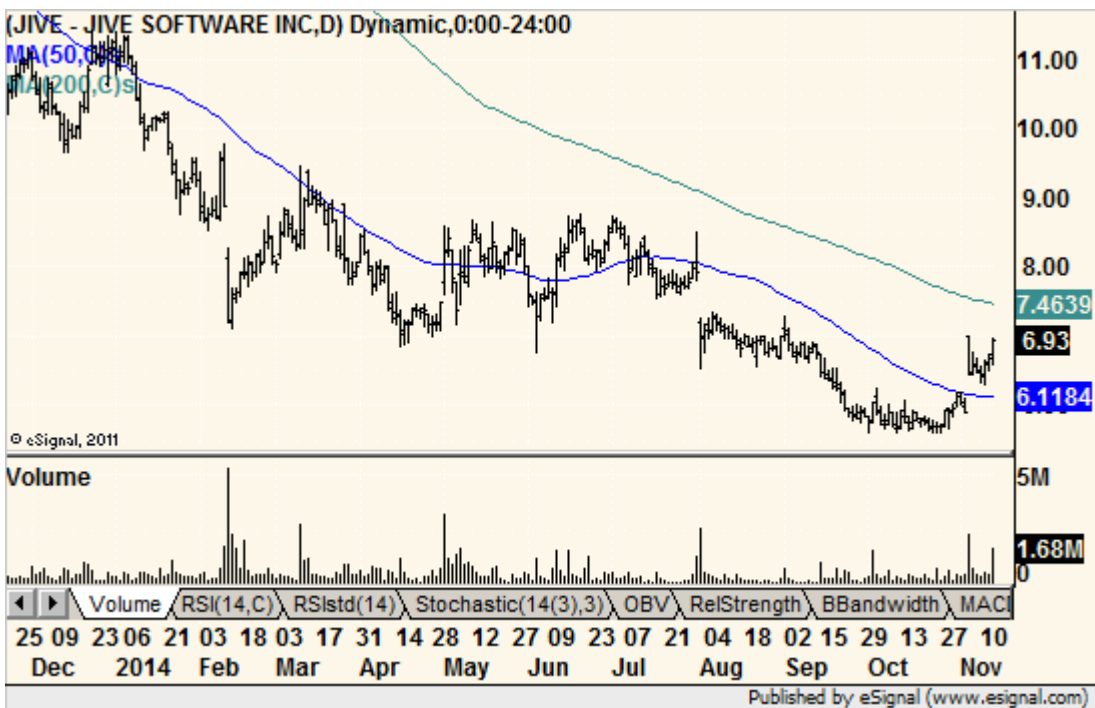
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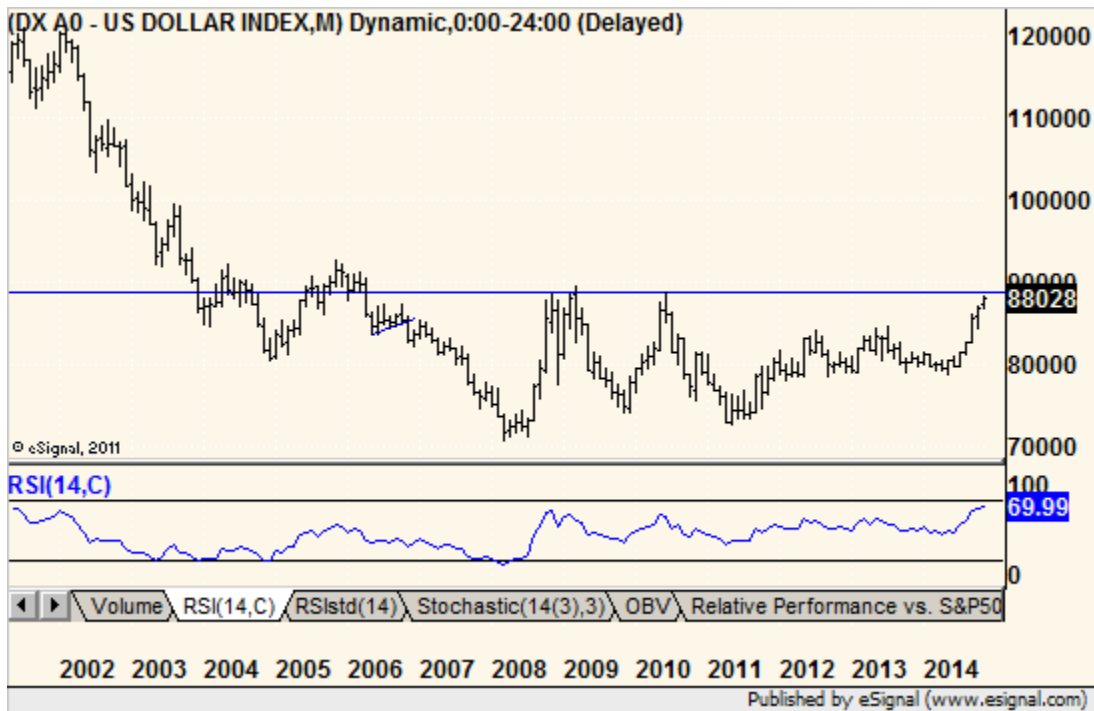
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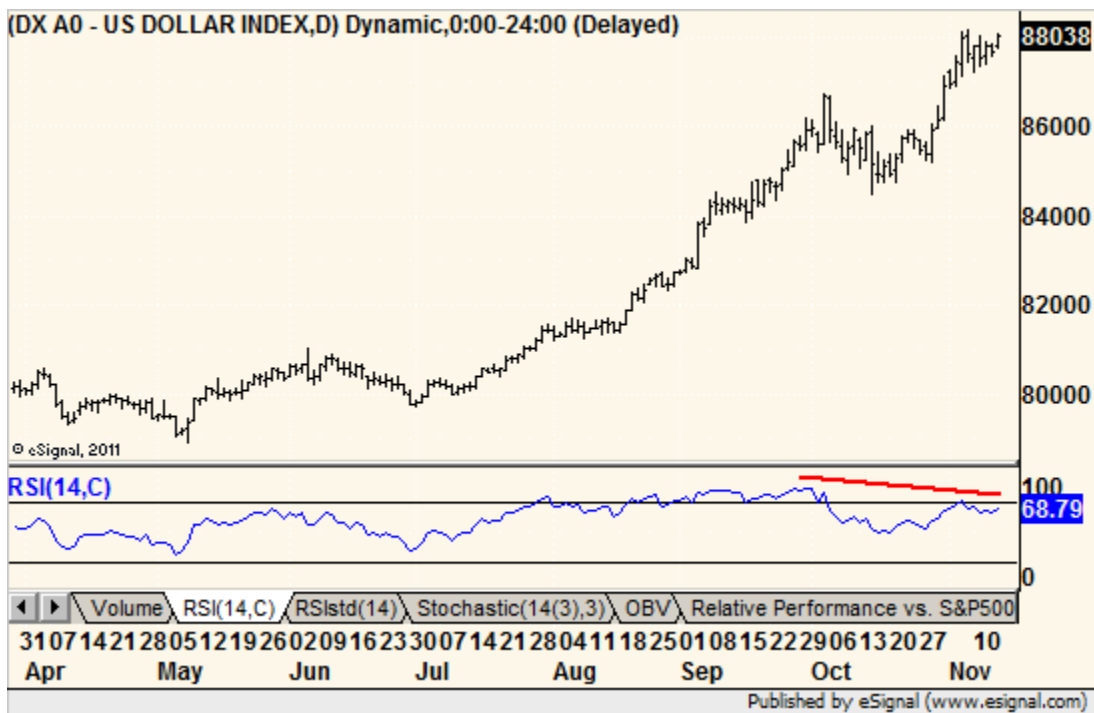
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The Big Picture

In this section, we take a macro look at things.



US dollar index - Just a look at major resistance now in the area. This is a monthly chart so we are not looking for precision in resistance but it does pay to know about it.



With the long-term in mind, now look at this momentum divergence in the daily time frame.

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>	ALL	ALLSTATE CORP	66.92	6.7%	65.00	62.71	10/27	17
	KKD	KRISPY KREME DOUGHNUTS INC	20.08	10.0%	19.50	18.25	10/28	16
	K	KELLOGG CO	63.80	-1.1%	62.75	64.53	11/6	7
	YUM	YUM BRANDS INC	75.39	2.6%	72.00	73.50	11/10	3
<u>Short</u>	SBAC	SBA COMMUNICATIONS CORP	112.52	-1.6%	116.00	110.69	11/4	9
	CNI	CANADIAN NATL RY CO	71.15	-3.3%	72.00	68.78	11/4	9
	TIVO	TIVO INC	13.07	-1.3%	13.50	12.90	11/10	3

Notes: Just raised stop on **ALL** quite a bit as it is looking overbought.

Subscriber Corner

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Other Information

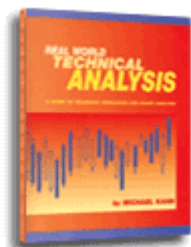
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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