

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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November 24, 2014 - It is another holiday-shortened week with, of course, Thursday closed for Thanksgiving and Friday closed at 1pm. Basically, if you have business to get done, do it Monday and Tuesday. And the usual seasonal strategies near holidays are just as distorted as everything else thanks to the Fed. For reference, here is what Investopedia has to say about that:

Due to general optimism, stock markets tend to rise ahead of three-day holidays in the United States such as Independence Day, Thanksgiving, etc.

We are supposed to get a firm market early in the week but we expect nothing until it happens. With the market so stretched, we might see the opposite with profit taking dominating. Again, we expect nothing.

We'll be focusing on big picture things this week rather than short-term trades. Light volume is often the fuel for volatility and events that travel farther than they normally would. And that leaves the market vulnerable to snap backs and reversals. We'd prefer to watch football and eat too much. No stress and the same result in the pocketbook.

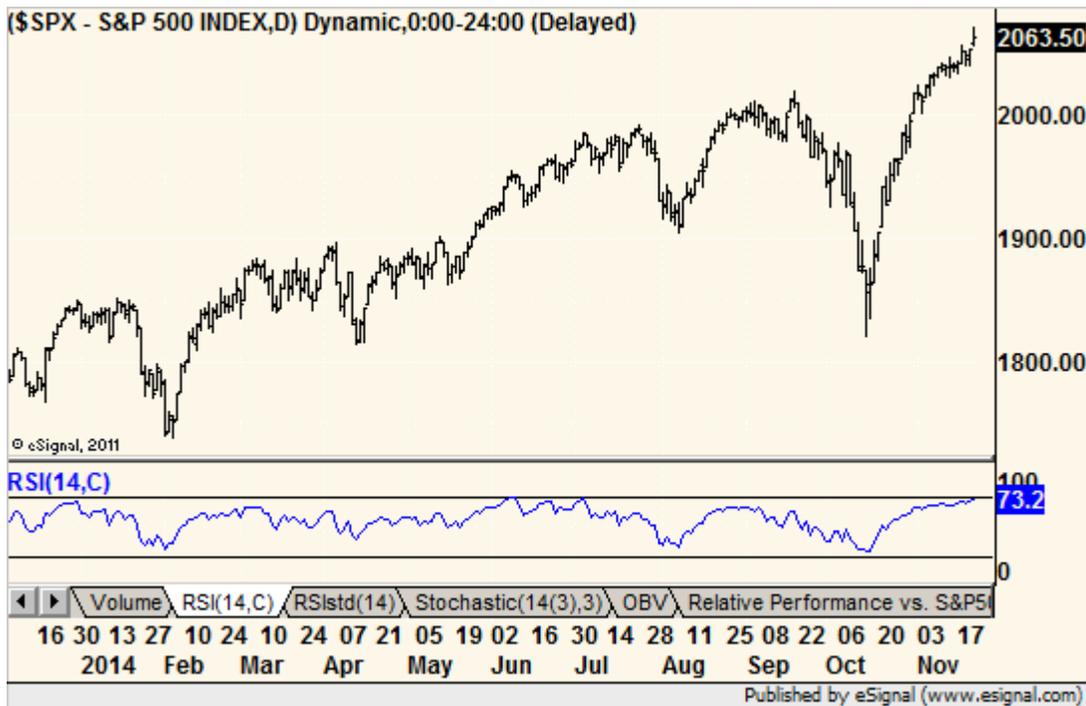
And when we talk big picture we have to look at the financials and commodities relationship. Everyone thought the CRB index would plunge, oil would be in the 60s and gold would continue much lower. But the latter were oversold and then China made some moves to stimulate its economy. The Shanghai composite is now up huge over the past two trading days and all the usual "voracious China" areas, such as coal, steel, earth moving equipment and yes, gold and oil, suddenly came alive. Check out the chart of the commodity tracking ETN below.



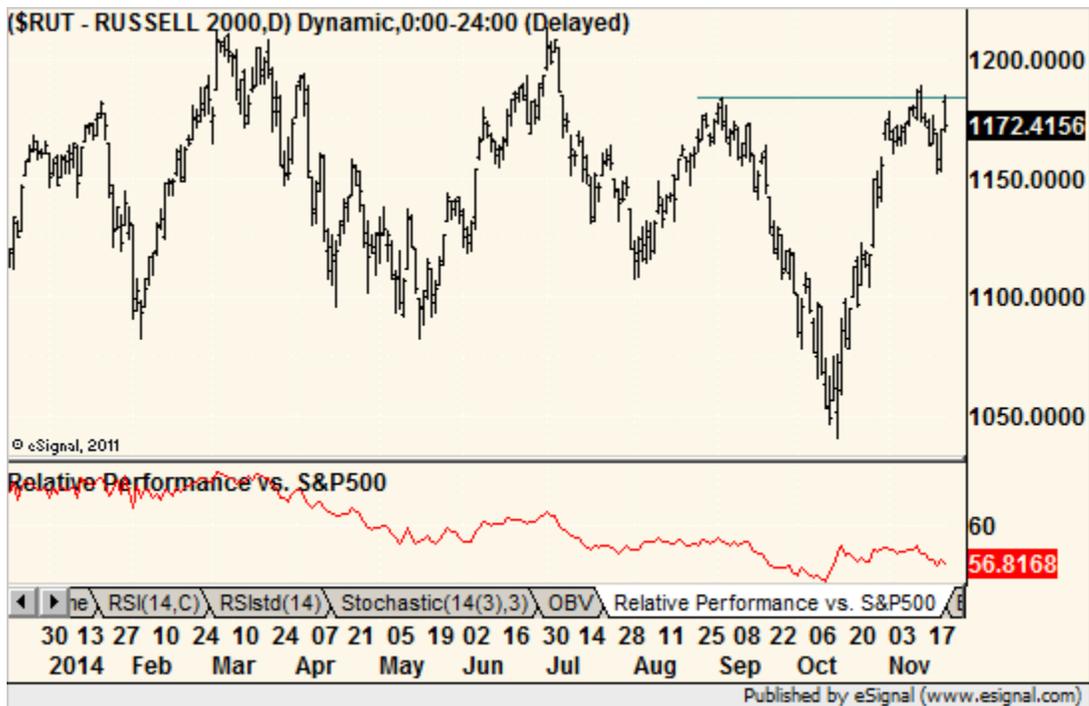
On the hourly chart, we eyeballed a few trend channels and that suggests acceleration. It also leaves the door open for the rally above the line to be a failed breakout. Do you want syrup with that waffle? This market is crazy and we are not going to make big moves this week.

Holiday schedule: Wednesday, Nov 26 - regular newsletter
Thursday, Nov 27 - NYSE holiday, no newsletter
Friday, Nov 28 - NYSE closes at 1pm NYT, no newsletter

Index Charts of the Day



We really have nothing to say here.



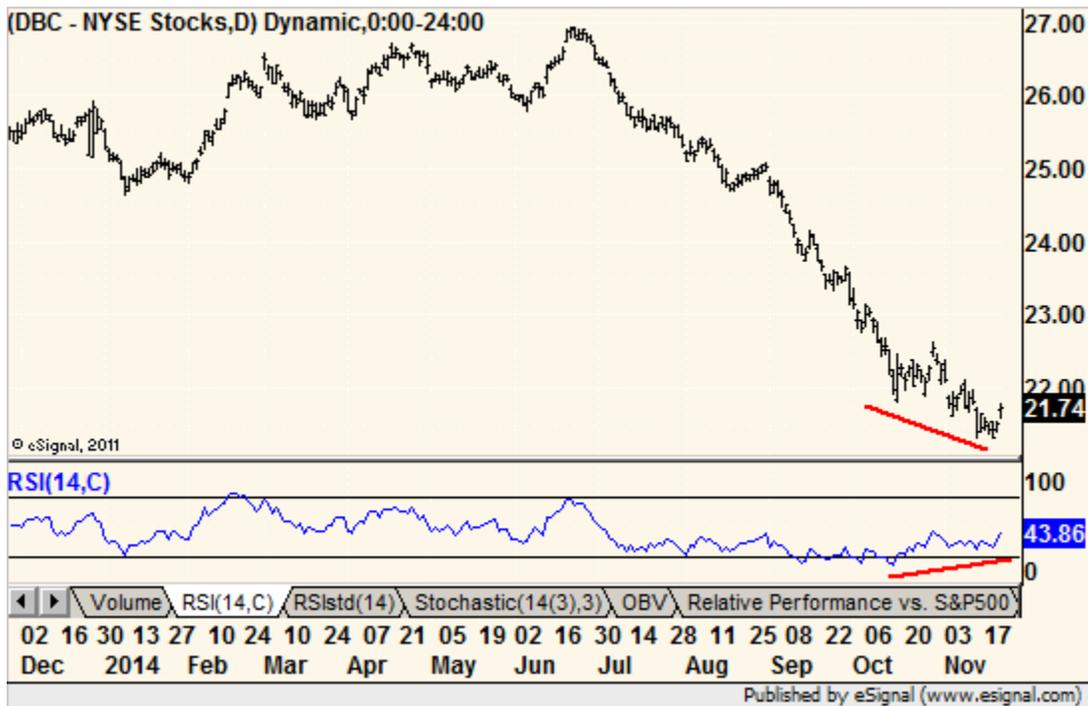
Still lagging but it negated a small H/S sell signal last week. If it takes out the top of the bearish reversal from two weeks ago then the Russell will be on track to reach 2014 highs.

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		
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 23.00. Now sitting on trendline from September low.	Triggered	11/6
Vishay Intertechnology VSH - This electronic component maker is now bumping up against resistance. On-balance volume is already back to its 2014 high so we are on alert for a breakout. Buying close above 14.05.		11/17
Junior Gold Miners ETF GDXJ - Bought the open Friday	Triggered	11/24
Bearish Implications		
none -		
Unknown Implications		
none -		
Holding Tank - red shade leans bearish, green shade leans bullish		
Freeport McMoran FCX - Waiting on bowtie reversal pattern. <u>Gapped up Friday on big volume but no bowtie just yet</u>		11/19
Axiom ACXM - Inverted head-and-shoulders setup for this marketing database and intelligence company.	New	11/24
Sector Watch (observations that may spark ideas)		
Gold Miners - Time to buy		11/3
Marine Transportation - Major breakdown and successful test of that break.		11/5
Airlines - Still needs to correct but it may be doing it by sideways action.		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		11/14
Brokers - On-balance volume divergence for GS . Same for MS, RJF and PJC		11/20
Energy ETF XLE - Gap up now testing flag breakdown. However, it looks rather strong.		11/21
Updates		
Alcoa AA - Gap breakout through resistance.		

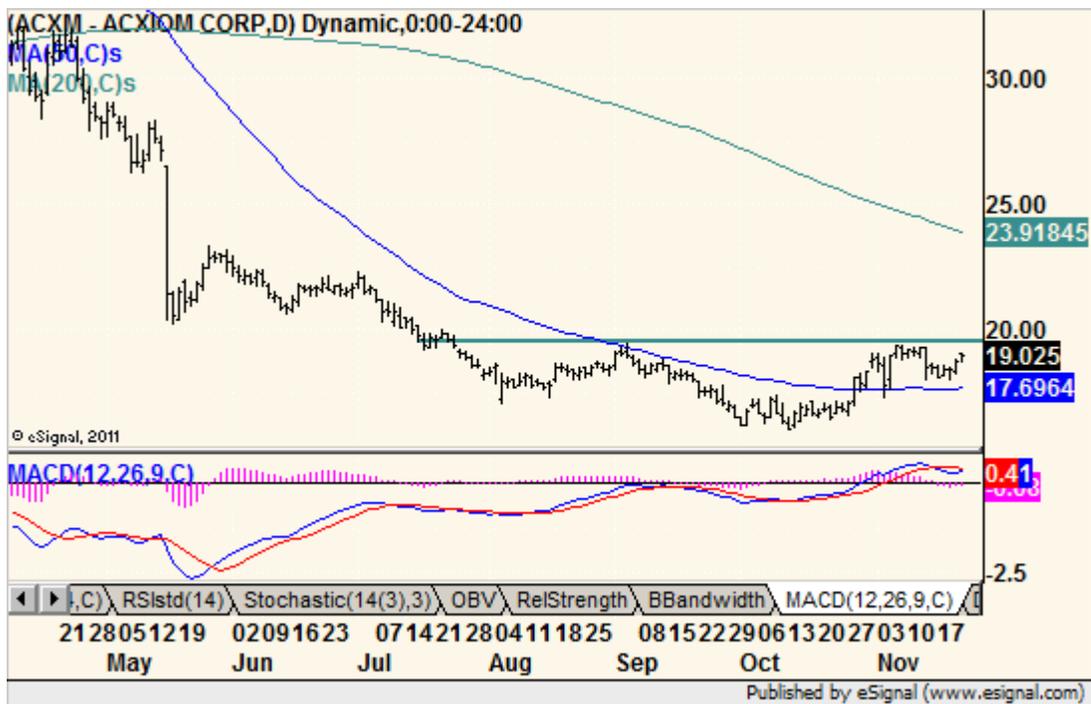
Market Highlights



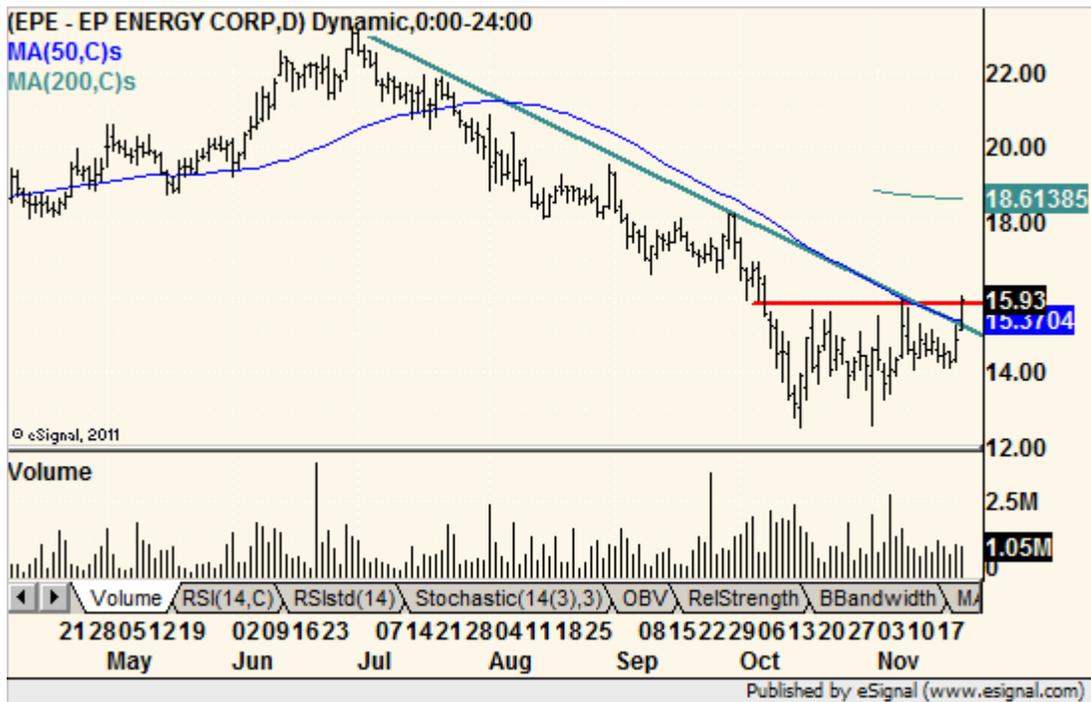
Powershares Commodity Index ETN - A bullish RSI divergence is clear but it's happened before. The trend is still down but another close up would break the 20-day average (not shown) and make a better case.



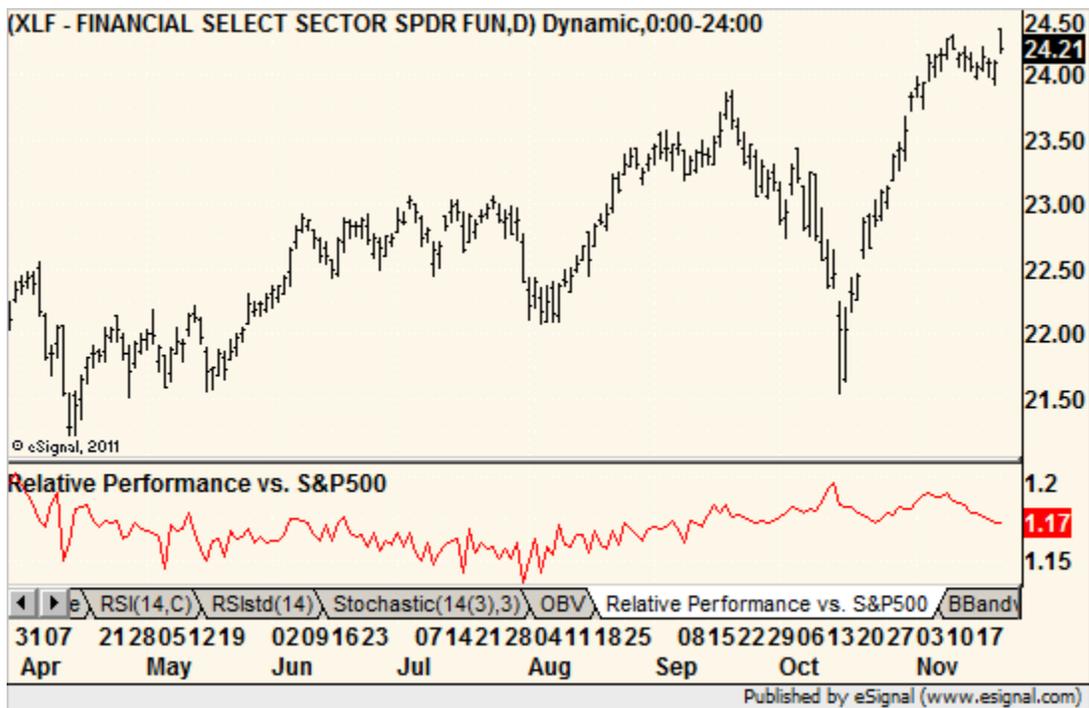
Gold ETF - Since we are into it now, here is the chart showing gold at the 50-day average. Note the volume pickup over the past few weeks. This is bullish.



Axiom - Inverted head-and-shoulders setup for this marketing database and intelligence company. Holding tank.



EP Energy - Here is a very young oil exploration stock with a few upside breakouts.



Financial ETF - A two and a half month low for relative performance in the financials. More evidence that commodities are back.



Advance-decline - Still no new high.

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	67.40	7.5%	66.00	62.71	10/27	26
	KKD	KRISPY KREME DOUGHNUTS INC	19.77	8.3%	19.50	18.25	10/28	25
	K	KELLOGG CO	65.47	1.5%	64.50	64.53	11/6	16
	YUM	YUM BRANDS INC	75.86	3.2%	73.00	73.50	11/10	12
	DKS	DICKS SPORTING GOODS INC	48.85	2.3%	47.00	47.75	11/14	8
	LULU	LULULEMON ATHLETICA INC	46.91	2.0%	44.75	46.00	11/20	2
	REXX	REX ENERGY CORPORATION	8.37	3.3%	7.90	8.10	11/20	2
<u>Short</u>	CNI	CANADIAN NATL RY CO	72.00	-4.5%	72.00	68.78	11/4	18
	TIVO	TIVO INC	12.95	-0.4%	13.50	12.90	11/10	12
	JPM	JPMORGAN CHASE & CO	60.45	-0.7%	62.75	60.00	11/20	2
	YHOO	YAHOO INC	51.04	-0.9%	53.00	50.60	11/20	2

Notes: Stopped out of **CNI** short

Bearish reversal on **KKD** but on low volume. We have had a nice run with this one and will let it sit until it either breaks out again or stops out. The stop is close.

Bear reversal on volume for **K**. Stop raised to be very tight.

Stop raised on **YUM**, **DKS**, **LULU** and **REXX**.

YHOO short looking a bit better.

Subscriber Corner

This section is dedicated to subscriber requests for stock, futures, index and foreign exchange analysis. Send requests to <mailto:mkahn@quicktakespro.com>.



Copper - The subscriber referenced a longer-term chart showing a descending triangle formation, which does lean bearish as part of a trend. However, triangle is the trend here and we see a close above the 50-day average after a bullish stochastic divergence. Considering the negative sentiment about all commodities and performance last week we think this looks more bullish than bearish. Probably best to wait for another close above the 50-day, if not 200-day but it looks OK to us. Did you see Freeport-McMoran's jump on Friday? Or the emerging markets ETF (**EEM**)?

Other Information

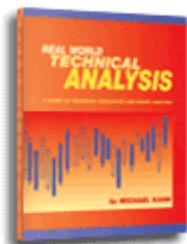
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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