

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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December 11, 2014 – Not a whole lot to say today. You've seen the big decline and read the news about falling oil prices. As technicians, today is a day to see how the market bounces, if at all. That should give us what we need to know probably for the rest of the year.

Here is our bullet list, none of which is new to subscribers:

1. Oil is at our next target zone around 60-61 and quite oversold.
2. Precious metals are looking quite improved. Check out the gold chart below.
3. Treasuries are rallying
4. Junk is falling
5. Healthcare is the leading sector
6. The Hindenburg Omen fired in a cluster

Other than that, nothing new in stock picks and pans.



On the hourly chart, we can see a new declining trend. The 38.2% Fibonacci retracement of the October - December rally is drawn for reference.

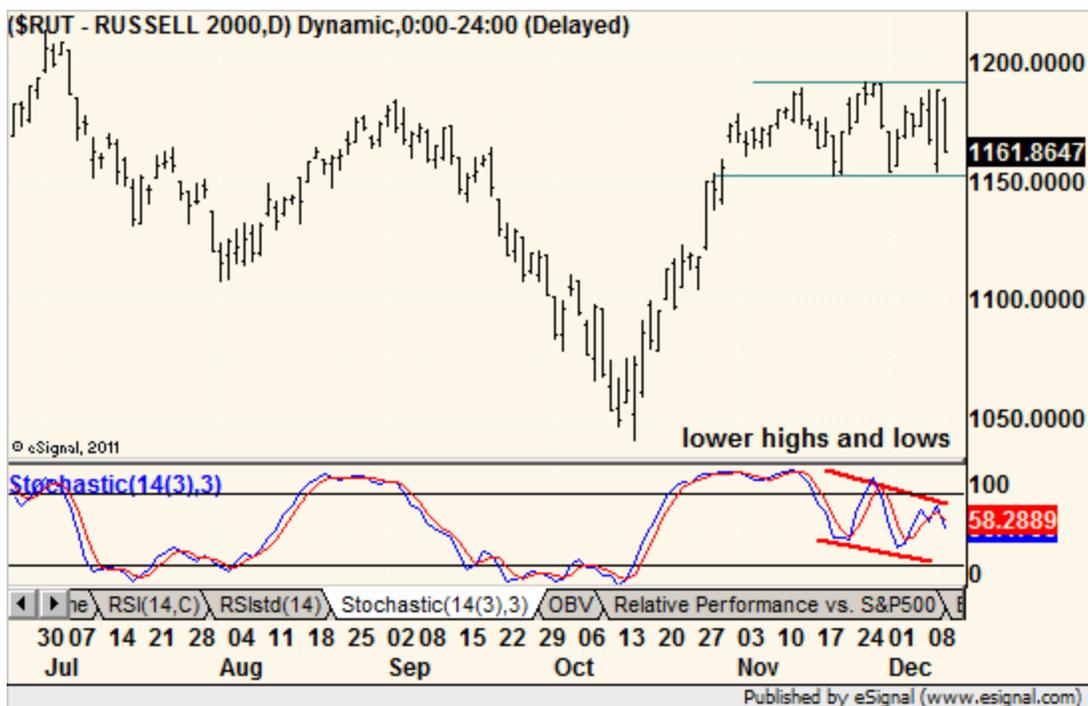
That's it. Short, and probably not so sweet.

When I have nothing to say, My lips are sealed
- Talking Heads (Psycho Killer, 1977)

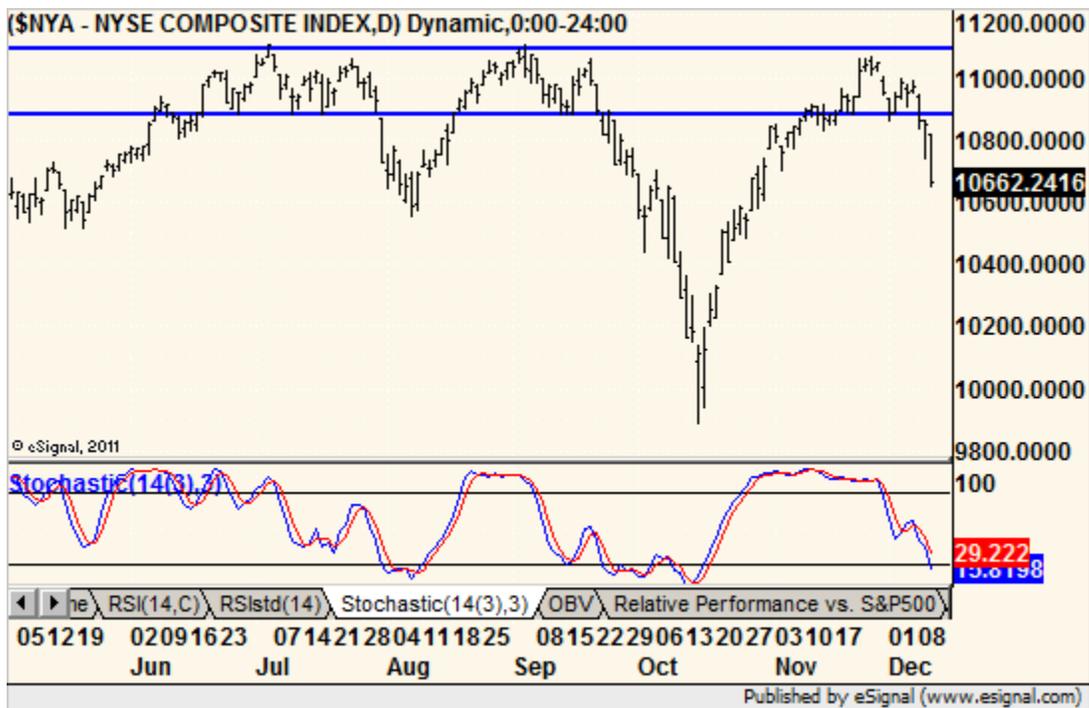
Index Charts of the Day



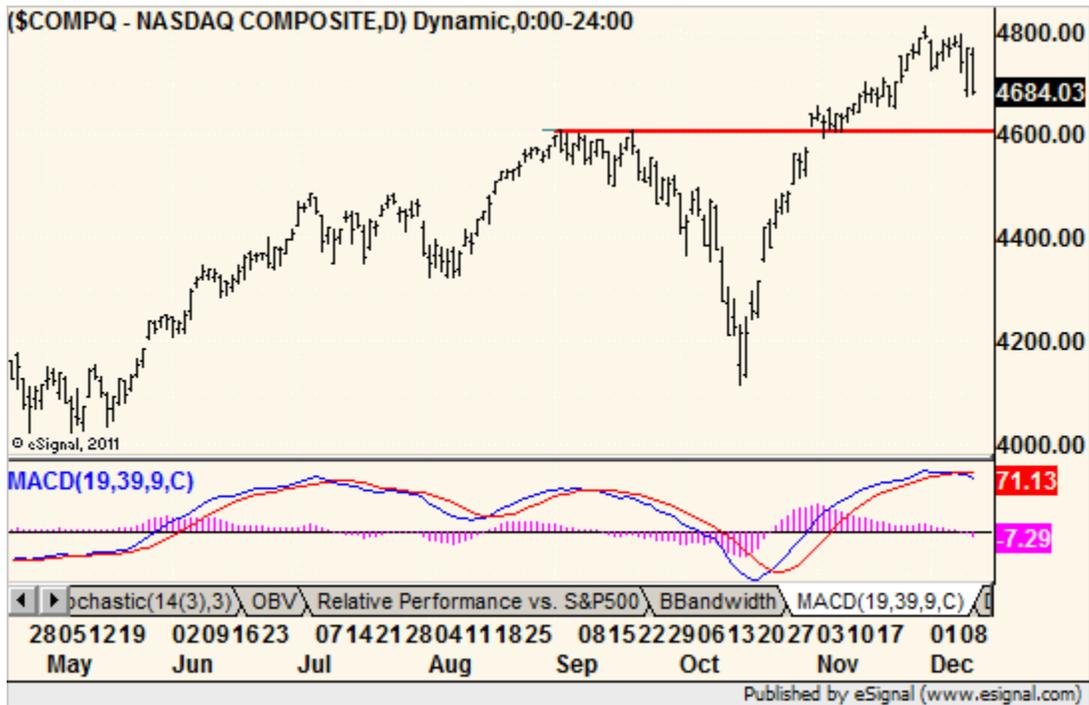
The S&P 500 is now at support from two sources. Yes, old trendline often do come back into play. Note big volume on yesterday's decline. That means it is imperative for the bulls to take this market back right away. A break of support should lead to perhaps a test of the 200-day average, now near 1944.



If the Russell were truly back in the game it would not have led to the downside yesterday. Therefore, it was just beta on the upside and then again on the downside. Note how stochastics is falling during the trading range to suggest a pending breakdown.



We'd say the NYSE composite has a true breakdown.



The Nasdaq appears headed to the red line support as shown. Note MACD crossover.

The Radar Screen

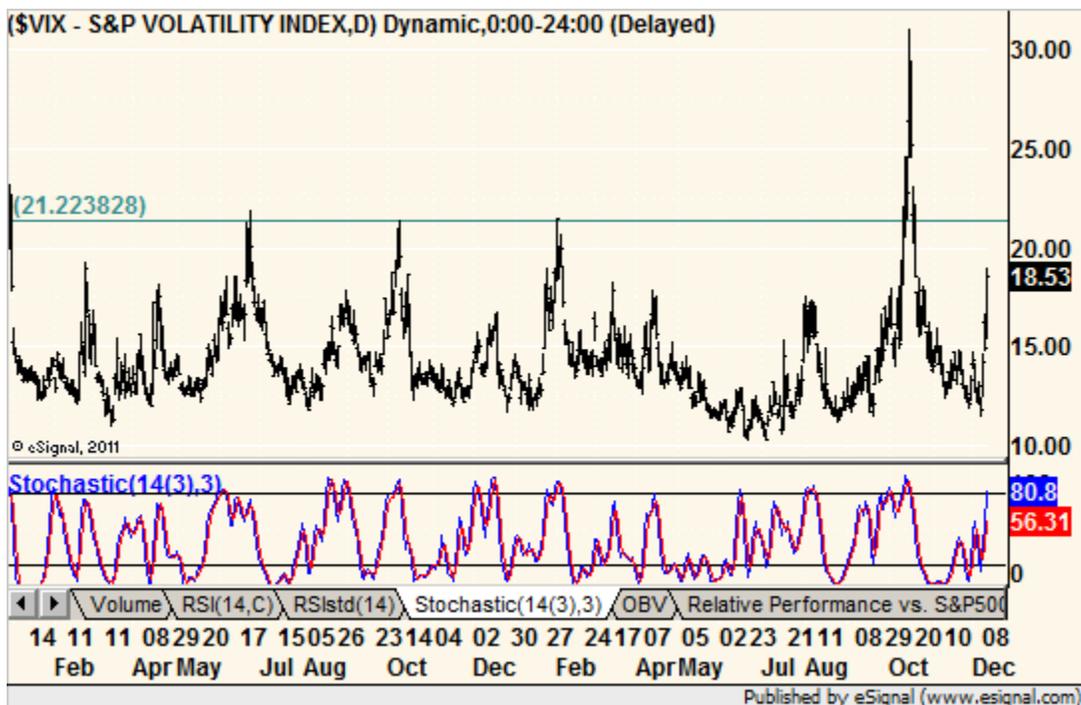
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
Netapp NTAP - Holding near resistance with rising stochastics bottoms. Looking for a breakout above 44.		12/10
Wynn Resorts WYNN - We are watching this one for a selling climax. That does not mean one will occur but if this drops hard for the next day or two and big volume it will have the criteria in place. <u>There it is!</u>	Moved	12/9
Bearish Implications		
Owens Corning OC - On the verge of a breakout through resistance and possible inverted H/S neckline but it reversed to the downside Friday. Now looks like a double top in progress. Sell support break under 34.50.	Triggered	12/5
Unknown Implications		
none -		
Holding Tank - red shade leans bearish, green shade leans bullish		
IBM - Just watching. A small range	Changed	12/5
Johnson & Johnson JNJ - Another Dow stock that can go either way from a tight range.		12/5
American Express AXP - Possible double top with a bearish reversal on volume Wednesday. Needs to take out support before the pattern completes. Financials rally Friday did hurt the bear case a little. Strong finish Tuesday. Looks stronger		12/5
Michael Kors KORS - Diamond bottom? Not in this market. Moving on.	Removed	12/5
Ciena CIEN - A break and test of the 50-day average, rising change in on-balance volume trend and an ascending triangle pattern. Watching how it handles premarket drop on earnings.		12/8
LPL Financial LPLA - This one is in the brokers group although it is more of an advisor. Catch-up candidate now that it is above the 50-day and short-term resistance. Note selling climax in October.		12/8
Sector Watch (observations that may spark ideas)		
Semiconductors - This sector is the new black but it did score a small bearish reversal Monday		
Truckers - breakdown		12/10
Updates		
none -		

Market Highlights



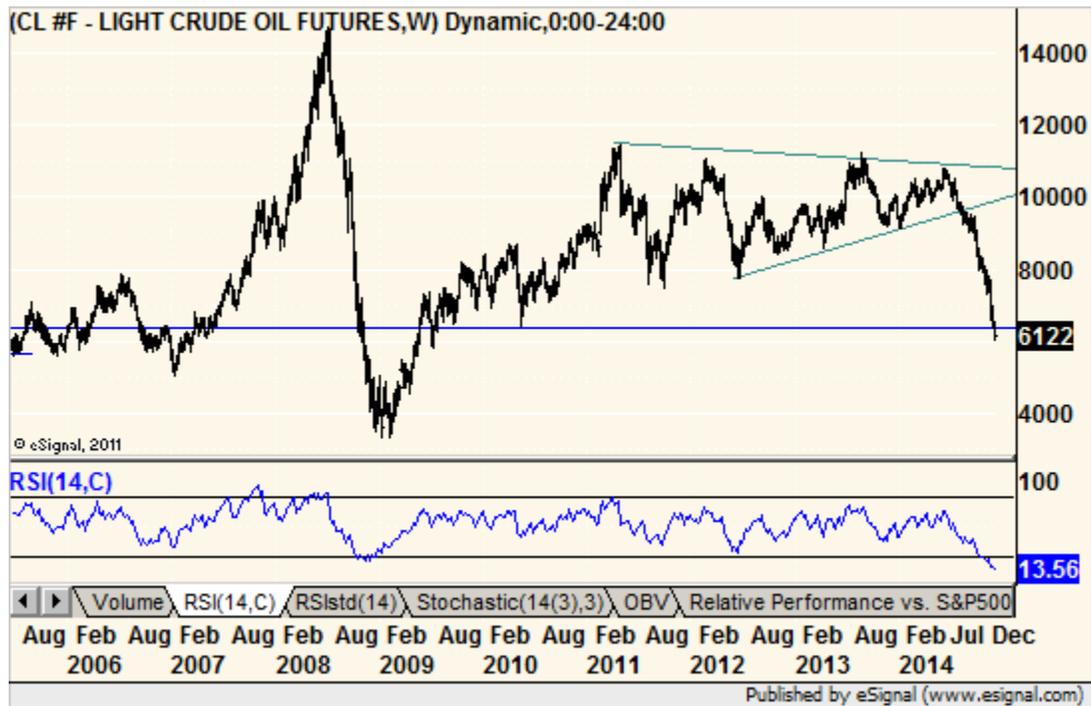
Korea - A good chunk of the world looks just like this including France, Italy and Spain. Weak recoveries off the October low and now a breakdown heading back to test them. And then there are the basket cases such as Saudi Arabia, Russia, Mexico, Greece and Argentina. All but Greece are getting killed on oil.



VIX - Today's headline says the **VIX** spike signals a market rebound. It is still far below that sort of level.



Gold ETF - Admittedly, the breakout is still minor but look at the average volume pick up as prices start to rebound. That is bullish.



Crude Oil - Just a reminder that the downside target for the triangle break is at hand. Weekly RSI is more oversold than it was in 2008.

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>	K	KELLOGG CO	64.79	0.4%	64.50	64.53	11/6	34
	NDLS	NOODLES & CO	24.80	7.8%	23.50	23.00	11/21	19
	ACXM	ACXIOM CORP	20.29	2.2%	19.75	19.85	12/4	6
<u>Short</u>	TIVO	TIVO INC	11.95	7.9%	12.50	12.90	11/10	30
	YHOO	YAHOO INC	49.21	2.8%	52.00	50.60	11/20	20
	TSLA	TESLA MTRS INC	209.84	7.8%	225.00	226.25	12/2	8
	BBT	BB&T CORP	38.10	-1.9%	39.00	37.39	12/2	8
	OC	OWENS CORNING NEW	33.89	1.8%	36.00	34.50	12/10	0

Notes: New short triggered on **OC**.

Lowered stop on **TIVO** short.

Subscriber Corner

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

Note to all - If you have a question on anything charting or technical analysis - any market - just ask. We might have a two pager for it.

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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