

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

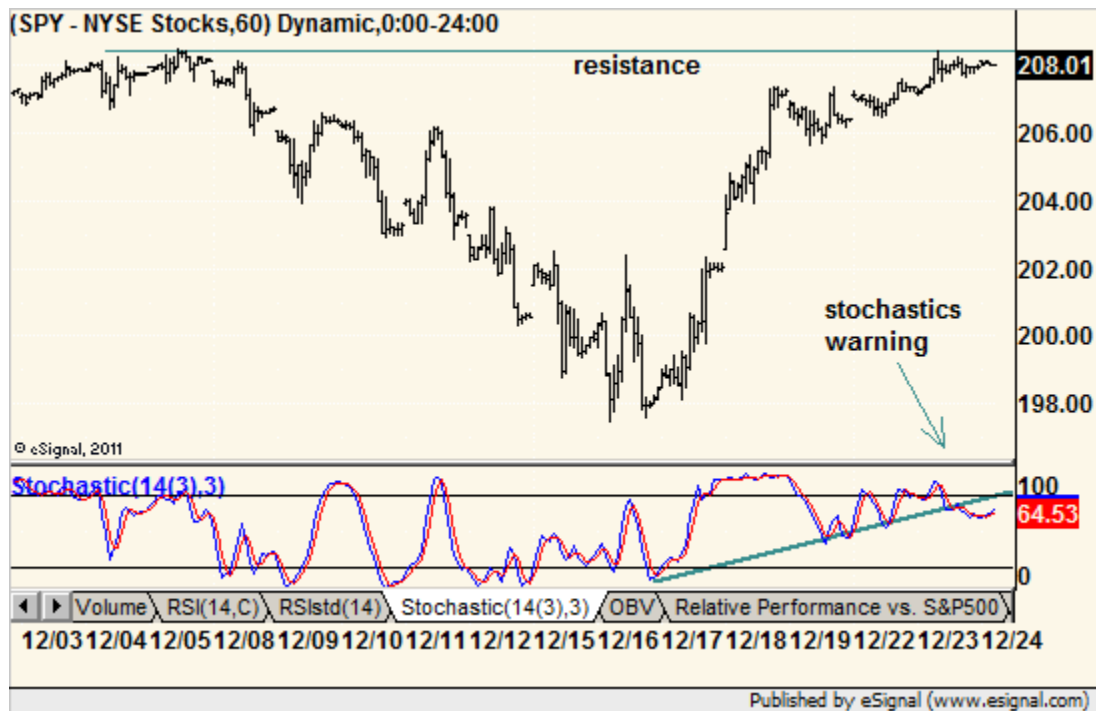
MICHAEL KAHN
RESEARCH LLC

December 24, 2014 – It's Xmas eve and the stock market closes at 1pm NYT. Bonds one hour later. Yesterday the media was quite happy to wear the Dow 18K hats and now looks towards 2100 on the S&P 500. We are sure there can be a round number celebration somewhere every day so don't get hung up on them. Technically, these round numbers usually are meaningless in terms of support and resistance. Think about it - will you buy or sell **IBM** when the Dow gets to, through or fails at 18,000? All you care about is IBM.

However, you can alter your overall market opinion as we have. The market is now at resistance and at the same time just switched from a bearish tone to bullish. The offense/defense index we've been following this week soared off support yesterday. Still, it is a good place to raise a little cash to pay for those presents.

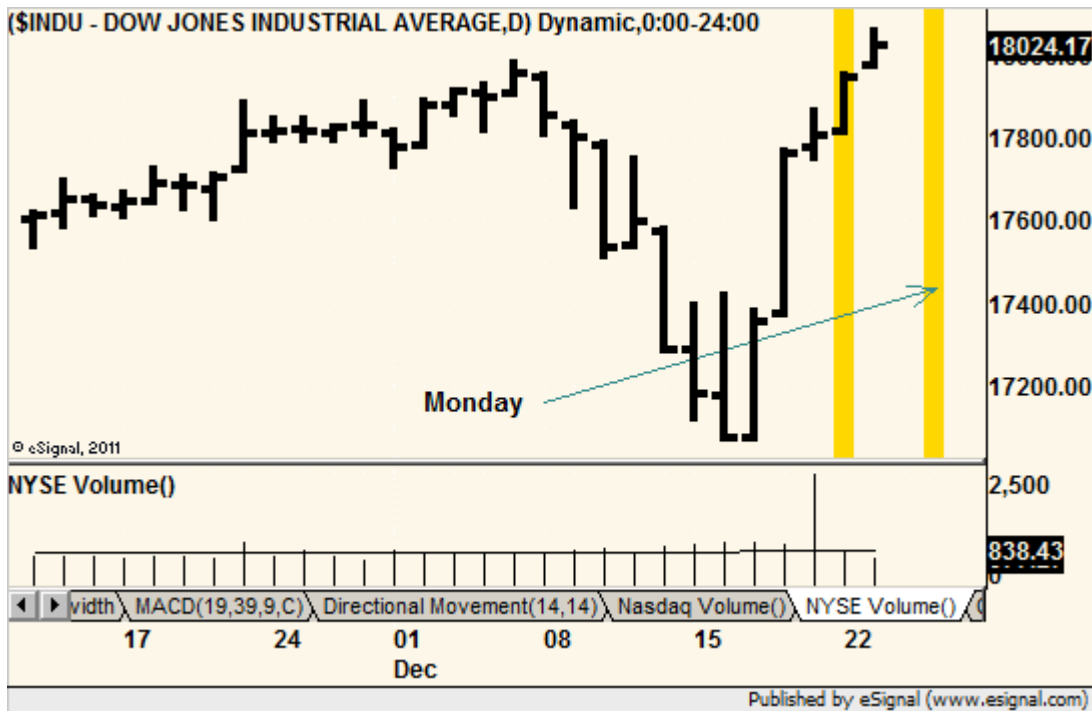
We suggest taking advantage of the early closing. If you are raising cash, do it early. If you are getting your nephew three shares of Disney for his high school graduation, get that done, too. I bought my film school son exactly three shares of **DIS** in 2013 and he's kicked the market's backside with them.

All we have are index charts today. A Merry Christmas to all and to all goodnight.

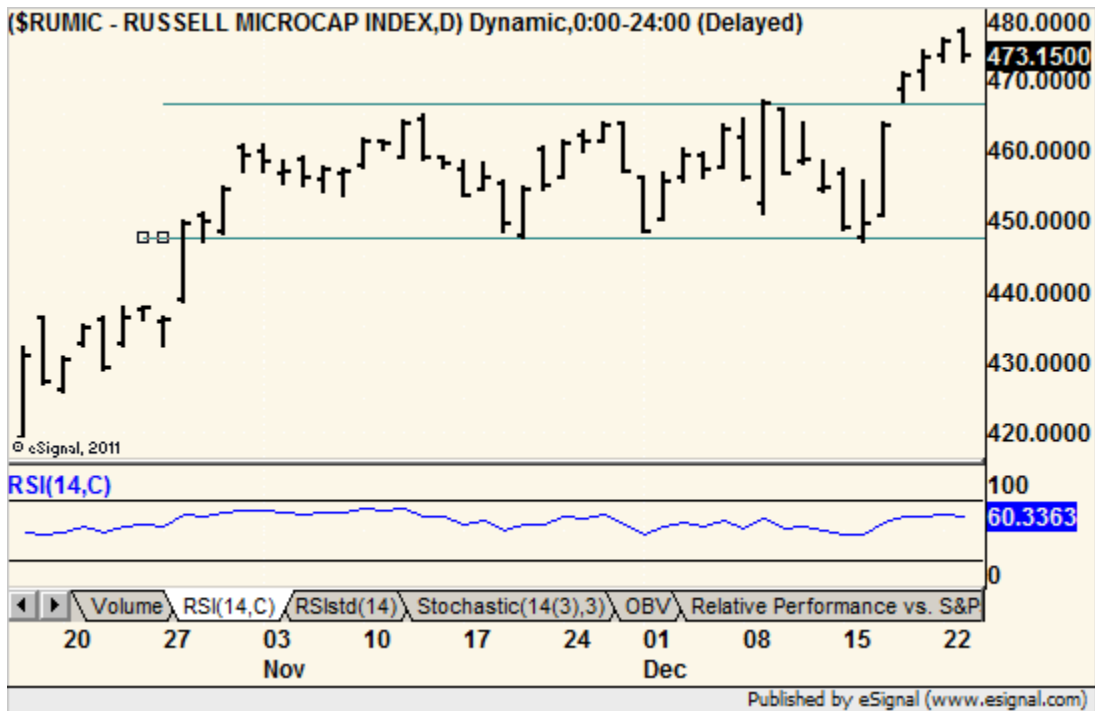


The price chart suggests caution. The offense/defense index and treasury/junk bond ratio suggest going for it.

Index Charts of the Day



Just an update on the O'Neil follow-through day countdown. The window is now open through Monday. It is not likely we'll see a volume surge this time of year so that suggests the signal will not happen.



As the Dow 18K party raged, the Russell microcap index scored a bearish reversal.

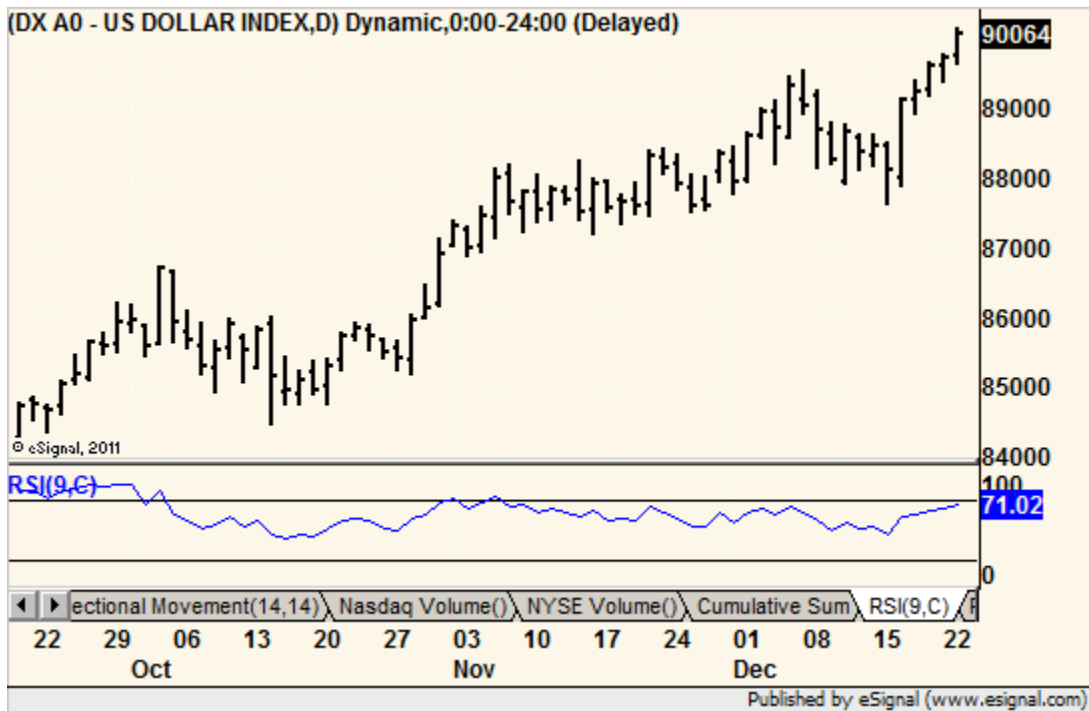
The Radar Screen

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.

Not much new here as the holiday draws near.

Bullish Implications		
none -		
Bearish Implications		
none -		
Unknown Implications		
none -		
Holding Tank - red shade leans bearish, green shade leans bullish		
Coach COH - This high-end retailer was up nicely on both up and down market days. It looks to be in a nice basing pattern although it is too early for a buy, save for scalpers. Takeover rumors!		12/15
Freeport McMoran FCX - This one is on selling climax alert. Big volume as it falls off a cliff. Extremely wide Bollinger Bands and a big spread to the 200-day average		12/15
JDS Uniphase JDSU - Networker with a breakout.		12/18
Sector Watch (observations that may spark ideas)		
Aerospace/Defense Sector index – breakdown negated but this is still lagging.		12/15
Networking Index - A breakout and test. Looking good.		12/18
Silver miners SIL - still watching possible double bottom		12/19
Gaming - Still waiting for confirmation of the weekly hammer candle		12/22
Canada EWC - Still waiting for confirmation of the weekly reversal bar		12/22
Updates		
Offense / defense index - Big jump off support Monday <u>and now Tuesday</u> .		
Alibaba BABA - We said to give it a little more rope but it took the entire spool.		

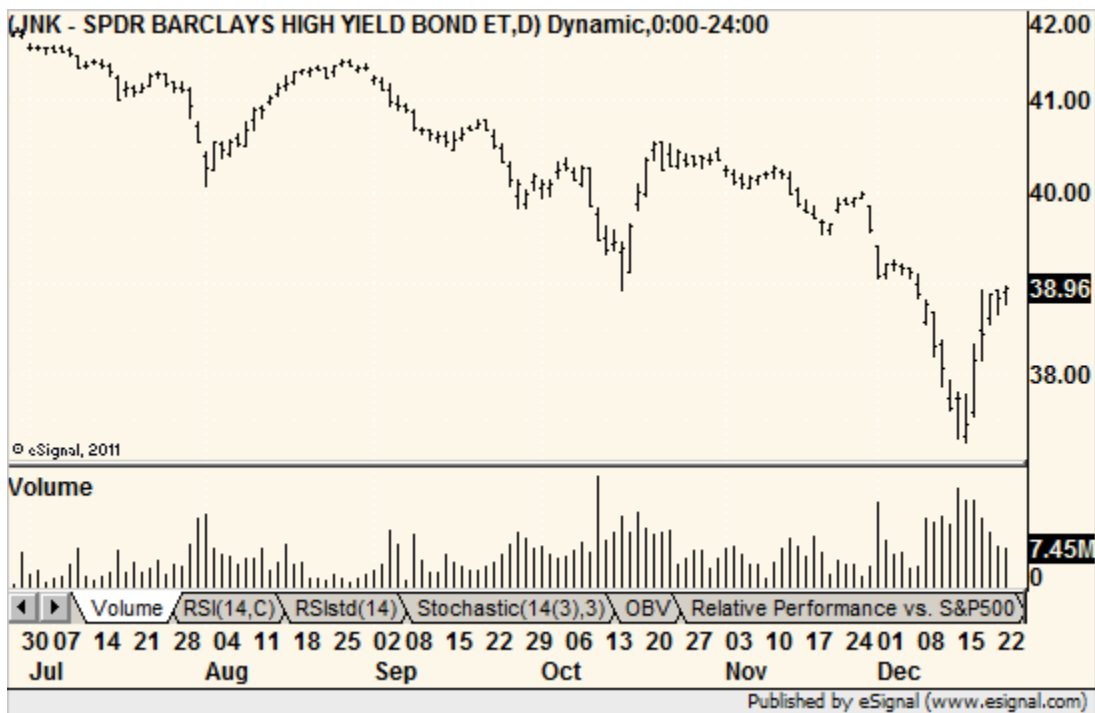
Market Highlights



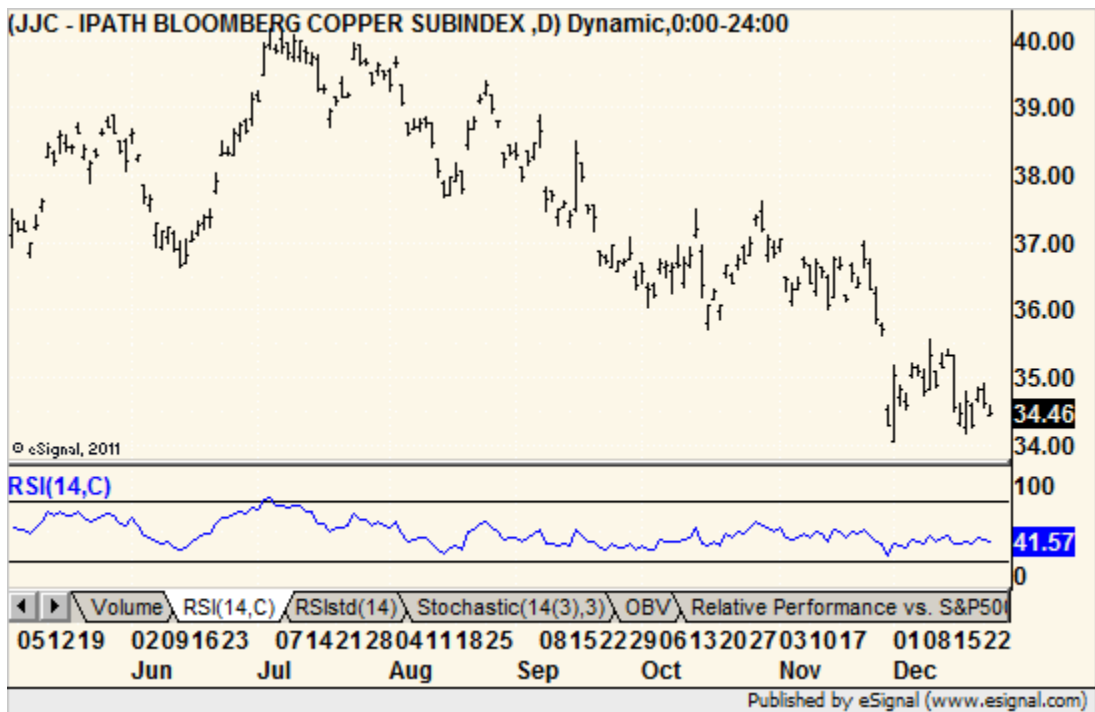
US Dollar Index - Big overnight rally. Not overbought in the daily time frame.



Bonds ETF - A rather large decline yesterday. See next...



Junk ETF - Junk edged higher yesterday although volume is betraying this rally.



Copper ETN - If the economy is 5% hot then why does copper look so terrible?

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>	NDLS	NOODLES & CO	25.68	11.7%	25.00	23.00	11/21	32
	CIEN	CIENA CORP	19.83	4.7%	18.75	18.94	11/18	35
<u>Short</u>	TIVO	TIVO INC	11.90	8.4%	12.30	12.90	11/10	43
	OC	OWENS CORNING NEW	35.39	-2.5%	34.50	34.50	12/10	13
	GOOGL	GOOGLE INC	538.77	-3.5%	540.00	520.00	12/19	4

Notes: the market is eating our shorts. **OC** had one bad day and it went from green to red. We would not buy it here although we have to stop it out.

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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