

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

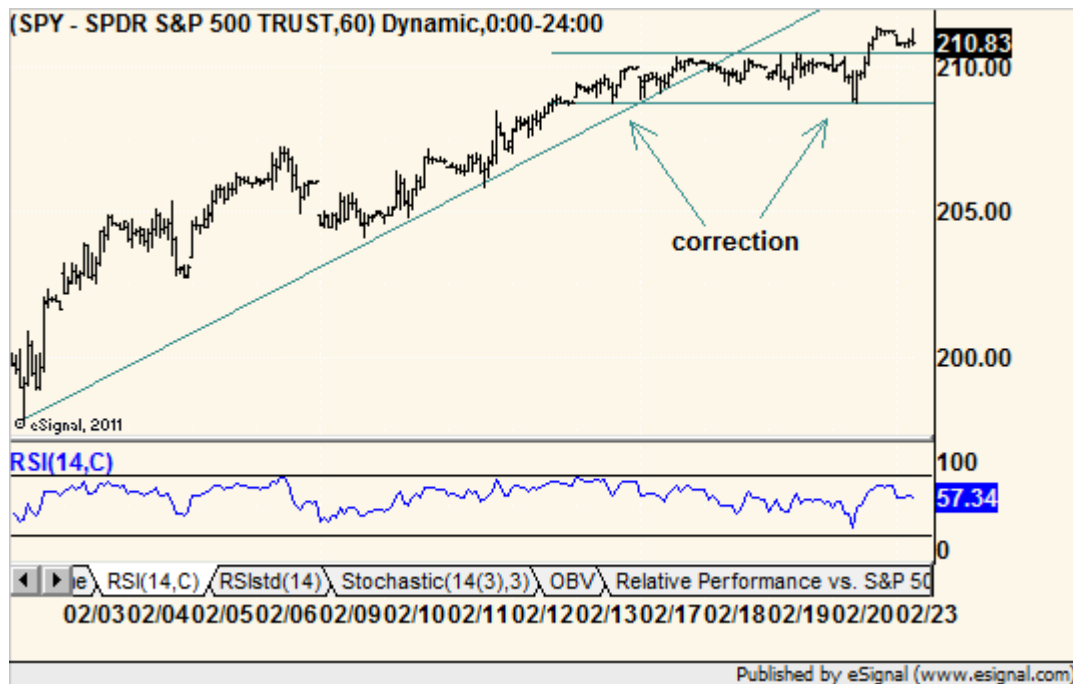
February 23, 2015 – Greece calmed down. The port strike calmed down. Stocks looked pretty good and technically scored some big points. See Index Charts below.

We also like the look of the hourly chart and tech is back in the lead. Too bad financials are falling hard on a relative basis so it is still not your traditional bull market.

Oil took a hit and shook us out of our big oil positions last week but if we did not have those tight stops we'd be happy right now. We still like them. See oil chart below.

One major gold stock had a big breakout but with a weak close and little company we are not so sure. Fool's gold? For now although it is coming off its worst levels this morning. For the long-term we like it but the timing may not be quite right.

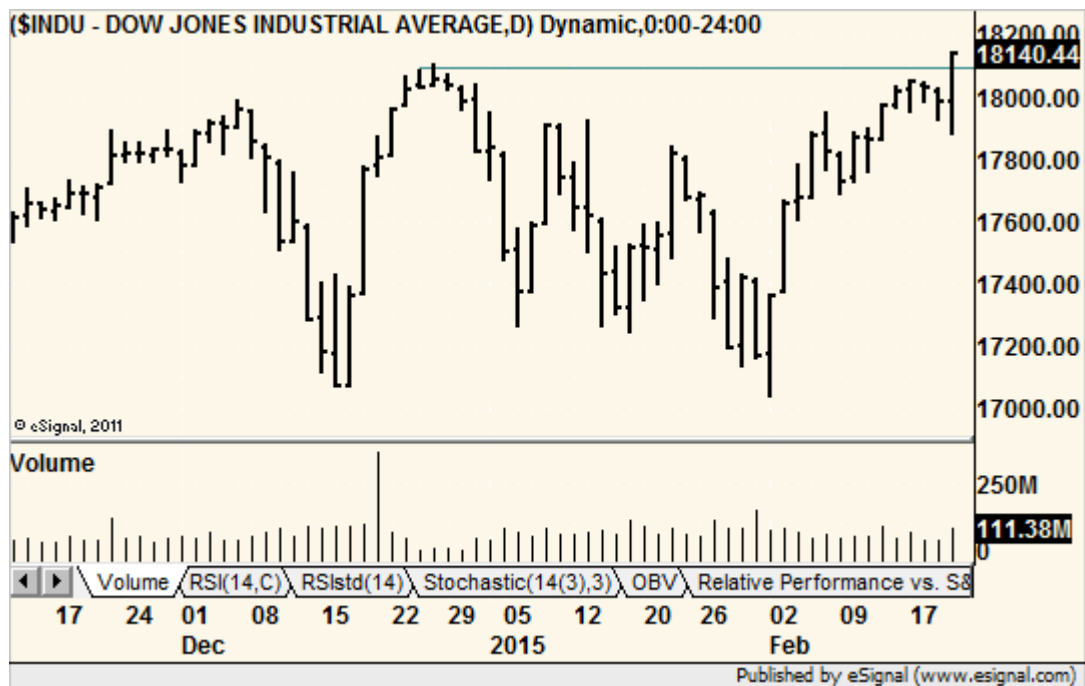
Check out the chart below of the **XLI** industrials ETF. Nice. And **XLY** discretionary is zooming.



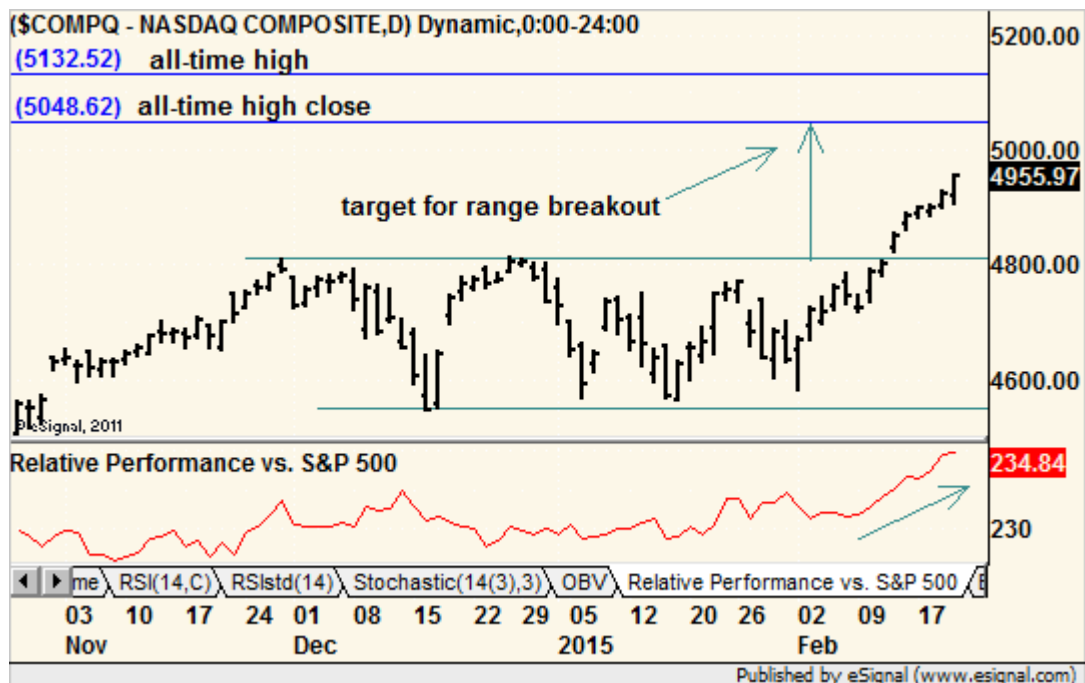
The hourly chart shows a correction in the form of a sideways range and that is probably even more bullish. Note the breakout Friday and test this morning. So far, so good for the bulls.

Bottom line – A bull market but it is in the midst of a pause.

Index Charts of the Day



It's not exactly a Wyckoff spring pattern but it sure has its spirit. A weak open near resistance suddenly turns around and breaks out. Nice. Weak this morning but not enough to negate it.



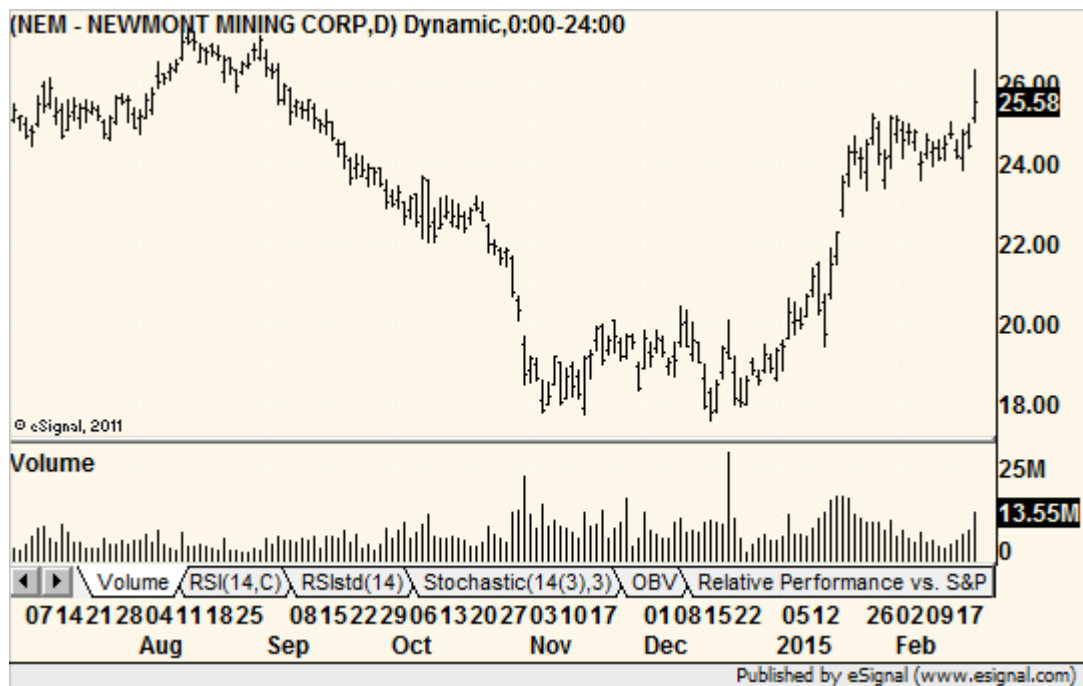
Get your 5K hats. However, range breakouts often stall at the halfway to the target before resuming.

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 | | |
|---|------------------|------|
| Travelers TRV – An insurance stock with a nice bullish setup following a false breakdown. We do wish volume was better. Buy close over 108.30. | | 2/15 |
| 3M MMM – From Tuesday’s free chart of the day. Still looking for a breakout above 168 on close. Note on-balance volume curling higher. | Triggered | 1/18 |
| SM Energy SM – We did not set out to look for more energy stocks but of the dozens of charts we checked this explorer/producer is the only one with a compelling setup. Buy close over 50.40 | | 2/20 |
| Barrick Gold ABX – This was a free chart of the day Tuesday but we’ll make it official now. Buy breakout with a move over 13.25. | Moved | 2/5 |
| Bearish Implications | | |
| none – | | |
| Unknown Implications | | |
| none - | | |
| Holding Tank - red shade leans bearish, green shade leans bullish | | |
| Archer Daniels Midland ADM – Some sort of sideways pattern healing the stock after a big fall in December. No indication of direction yet. | | |
| Sector Watch (observations that may spark ideas) | | |
| Retail XRT – market performer | Changed | 2/6 |
| Technology XLK – leading the market | Changed | 2/12 |
| Homebuilding ITB – leading the market but recently flat | Changed | 2/12 |
| Financials XLF – lagging the market | Changed | 2/12 |
| REITs IYR – Bull flag at 50-day average. We like KIM, BXP | New | 2/23 |
| Updates | | |
| Procter & Gamble PG – gapped down from a triangle Friday but close well. Perhaps a new sideways pattern developing. | | |

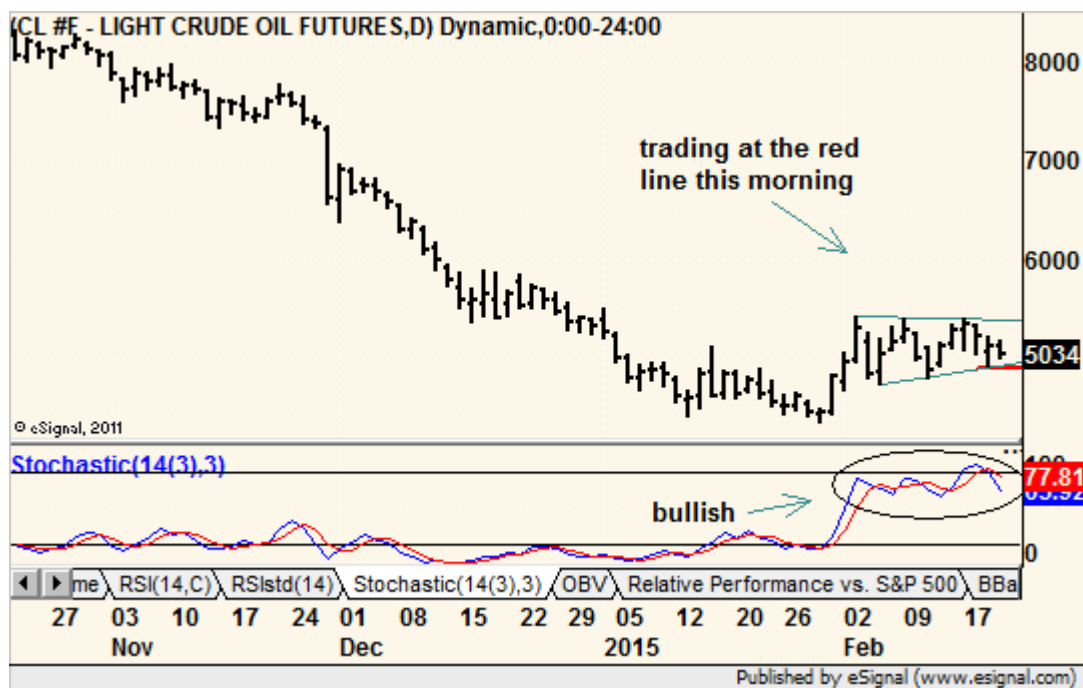
Market Highlights



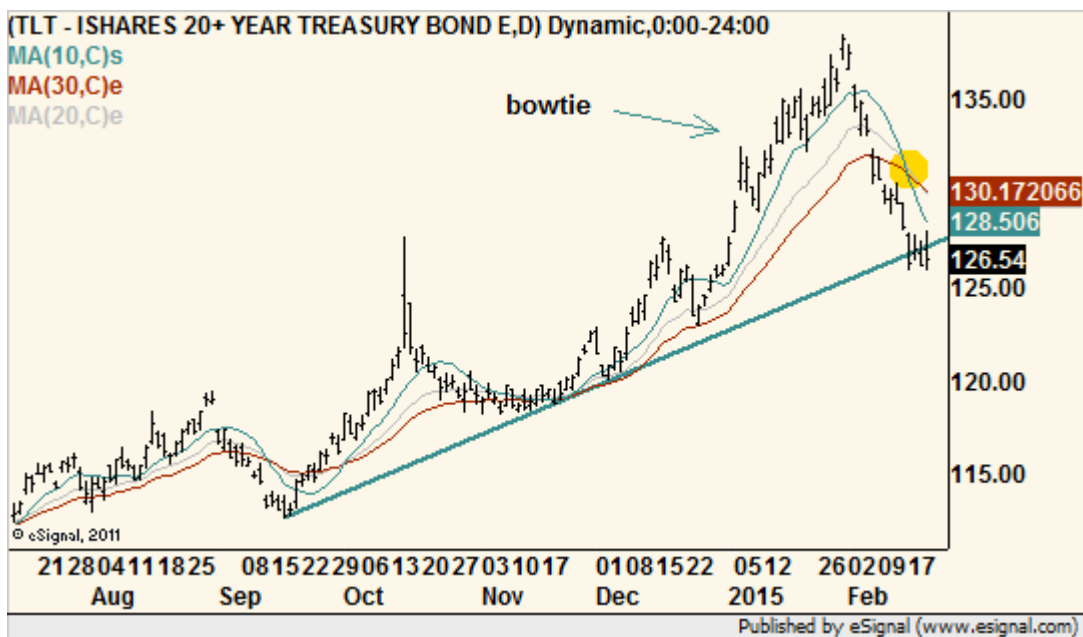
Newmont Mining – A very good Friday for gold stocks and this one has a breakout. However, it closed poorly and gold is down today so this could be a fake-out. We moved **ABX** back into the bullish section in the Radar Screen with an on-close trigger.



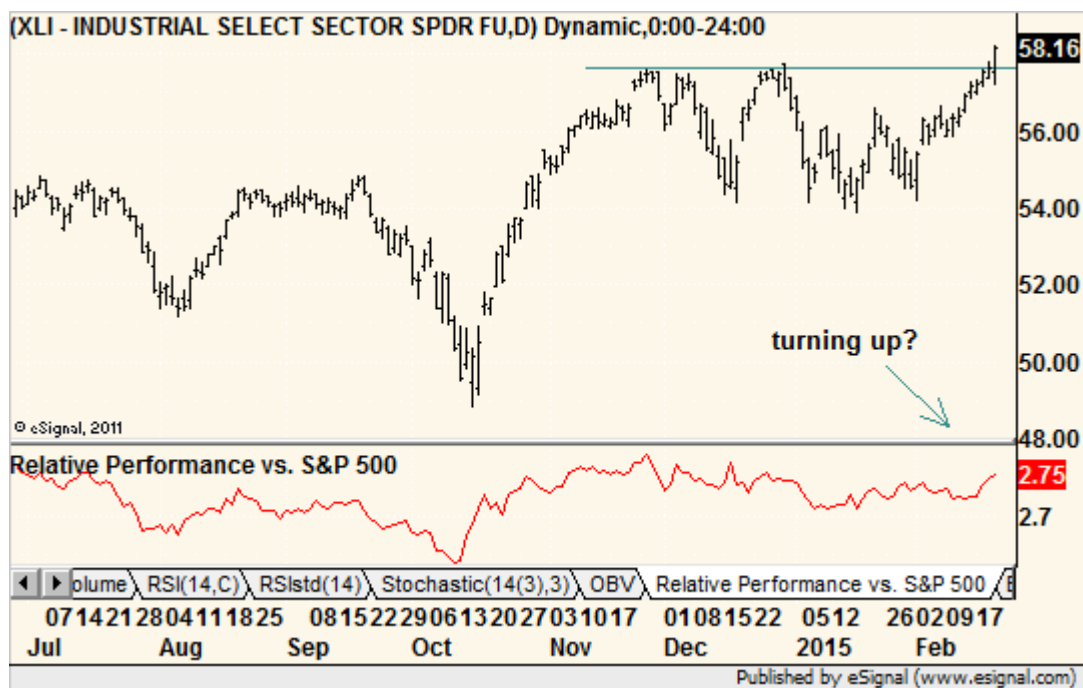
Dollar Index – This is a good reason why gold is backing down today. The gain in the dollar is strong although the triangle pattern is not broken. Because it is so close to the apex it may be morphing into a different sideways pattern as it gets closer to its rising trendline. In other words, correction not over.



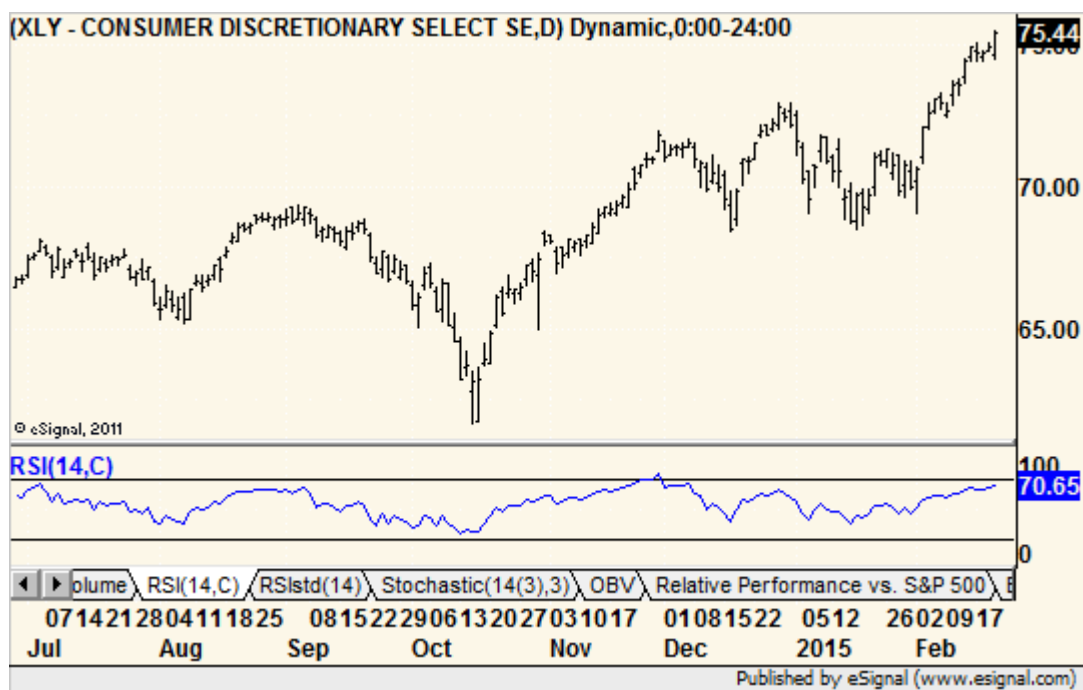
Crude Oil – This is still a pause after a bottom. However, any lower and then we have to reconsider. Heating oil is still in a rising trend with strong commitments of traders.



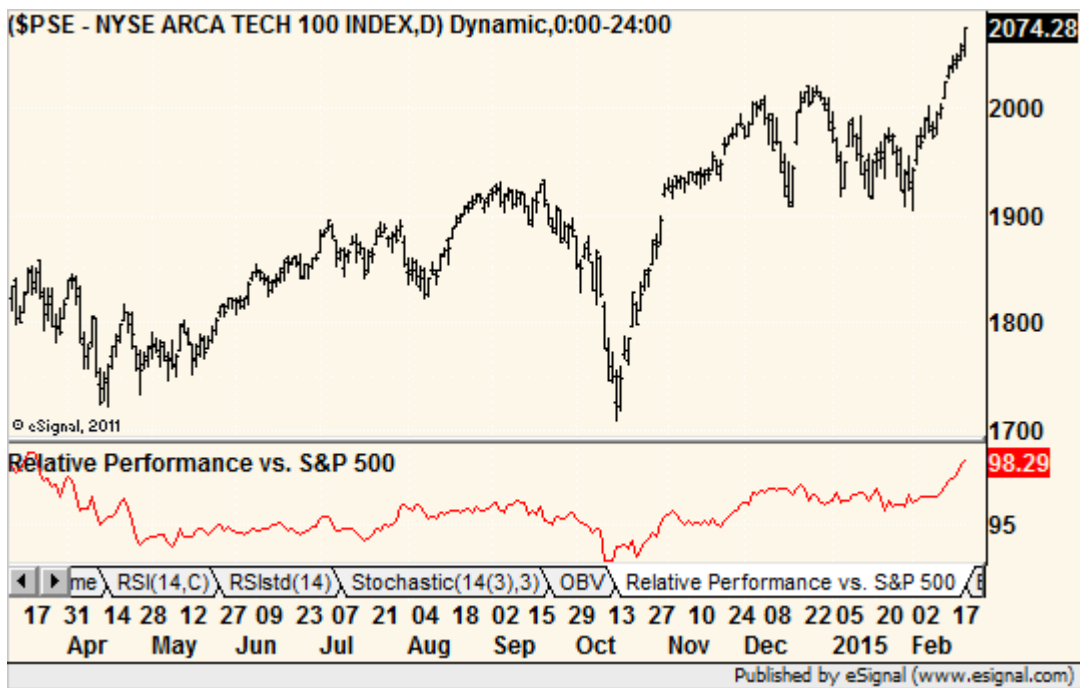
Long T-bond ETF – Now at support from the trendline and Oct/Dec peaks. However, a bowtie moving average crossover is now in effect suggesting the trendline will not hold. So far, it is and the ETF is higher in the premarket. Crossroads.



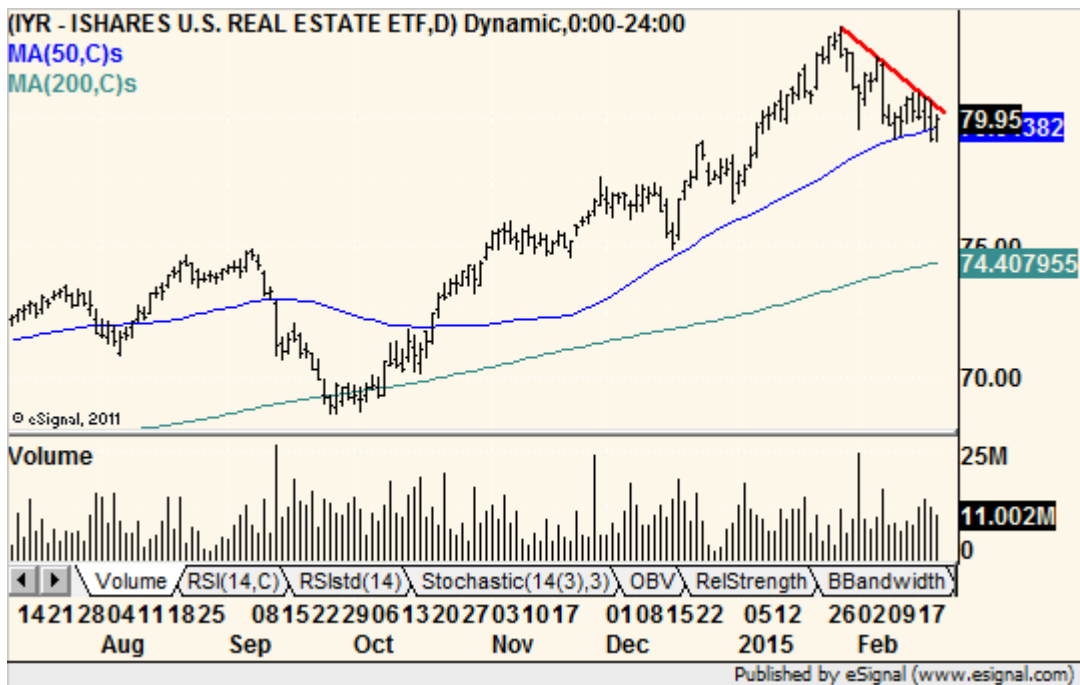
Industrials ETF – Nice breakout and a possible change to leading the market.



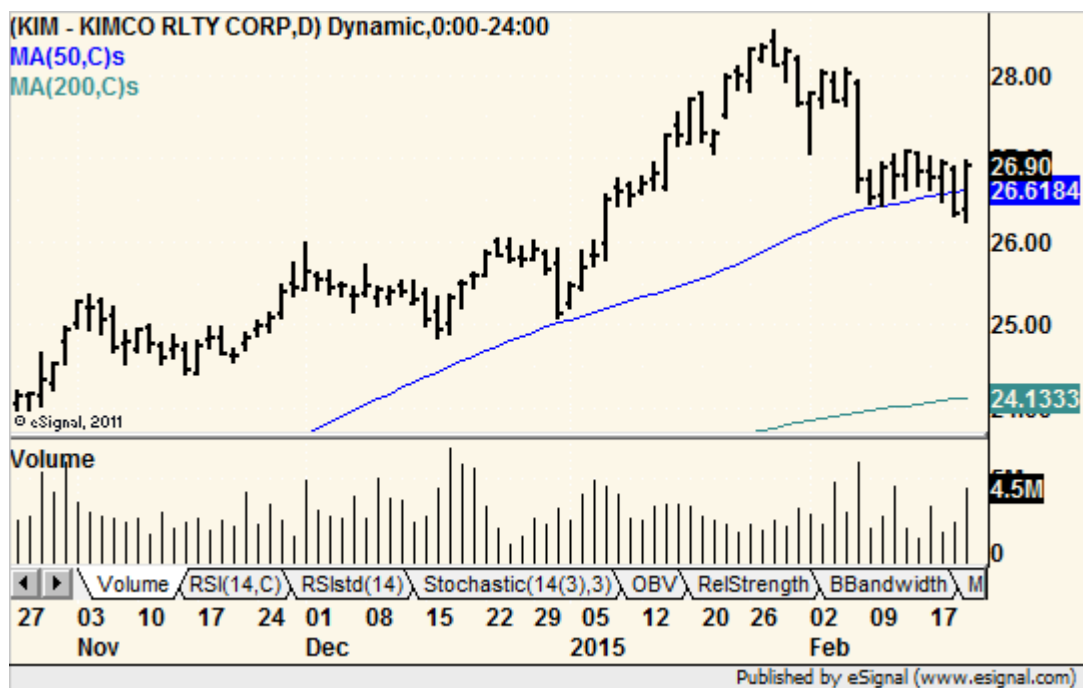
Consumer Discretionary ETF – Not officially overbought according to RSI but it does look extended. But clearly it is a leader.



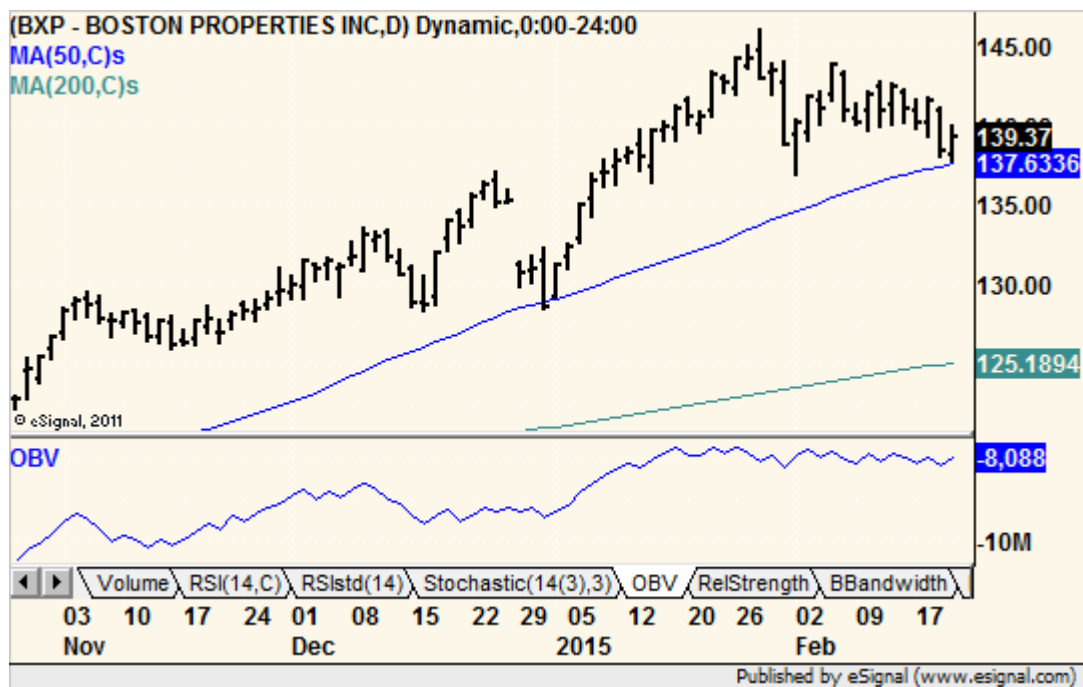
NYSE Tech index – A little exuberant but this drives home the point that tech is back. More so than the **XLK** ETF



iShares REIT ETF – Still watching this bull flag. See next two charts...



Kimco – This is a shopping REIT and it has a nice outside-day reversal to the upside at the 50-day average with good volume. A good candidate to buy on a sector breakout.



Boston Properties – This is an office REIT and it also touched the 50-day average. We like on-balance volume was flat during the decline instead of falling to show demand. Another candidate if the sector breaks out.

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. 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> | NOC | NORTHROP GRUMMAN CORP | 172.20 | 18.7% | 165.00 | 145.05 | 1/7 | 46 |
| | LO | LORILLARD INC | 68.70 | 6.6% | 66.00 | 64.46 | 1/13 | 40 |
| | CAT | CATERPILLAR INC DEL | 84.44 | 5.9% | 82.00 | 79.74 | 1/27 | 26 |
| | EWI | ISHARES MSCI ITALY CAPPED ETF | 15.05 | 6.3% | 14.25 | 14.16 | 2/2 | 20 |
| | HRB | BLOCK H & R INC | 34.74 | -0.5% | 34.50 | 34.91 | 2/5 | 17 |
| | HAL | HALLIBURTON CO | 43.36 | 0.9% | 42.50 | 42.97 | 2/5 | 17 |
| | PSUN | PACIFIC SUNWEAR CALIF INC | 2.84 | -3.7% | 2.80 | 2.95 | 2/10 | 12 |
| | VNM | MARKET VECTORS VIETNAM ETF | 19.64 | 2.2% | 19.00 | 19.21 | 2/11 | 11 |
| | MAR | MARRIOTT INTL INC NEW | 83.00 | 7.6% | 79.00 | 77.13 | 2/11 | 11 |
| | GOOGL | GOOGLE INC | 541.80 | -0.8% | 530.00 | 546.01 | 2/12 | 10 |
| | XLE | ENERGY SELECT SECTOR SPDR FUND | 80.54 | -0.7% | 78.50 | 81.13 | 2/13 | 9 |
| | XLU | UTILITIES SELECT SECTOR SPDR FUN | 45.69 | 1.5% | 44.25 | 45.03 | 2/17 | 5 |
| | SO | SOUTHERN CO | 46.14 | 1.0% | 45.00 | 45.69 | 2/17 | 5 |
| | XLV | HEALTH CARE SELECT SECTOR SPDR F | 72.18 | 1.0% | 71.00 | 71.43 | 2/19 | 3 |
| | MMM | 3M CO | 168.12 | 0.0% | 161.00 | 168.12 | 2/20 | 2 |
| | | | | | | | | |
| <u>Short</u> | DAL | DELTA AIR LINES INC DEL | 47.00 | -5.3% | | 44.50 | 2/9 | 11 |

Notes: The anti-oil stock **DAL** (airlines) we had short went up as we were stopped out of longs in big oil last week. We still believe in oil so check out the charts above.

New long in **MMM** triggered at the close.

Data for **XLV** corrected. Stop and price in were wrong on Friday.

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

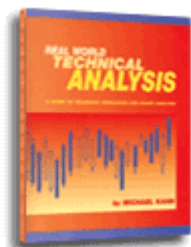
About - Michael Kahn, CMT, has been working with charts and technical analysis since 1986 and currently writes the twice-weekly “Getting Technical” column for Barron's Online. He is also a regular contributor to MarketWatch.com. Michael was formerly Chief Technical Analyst for BridgeNews and seen frequently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



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