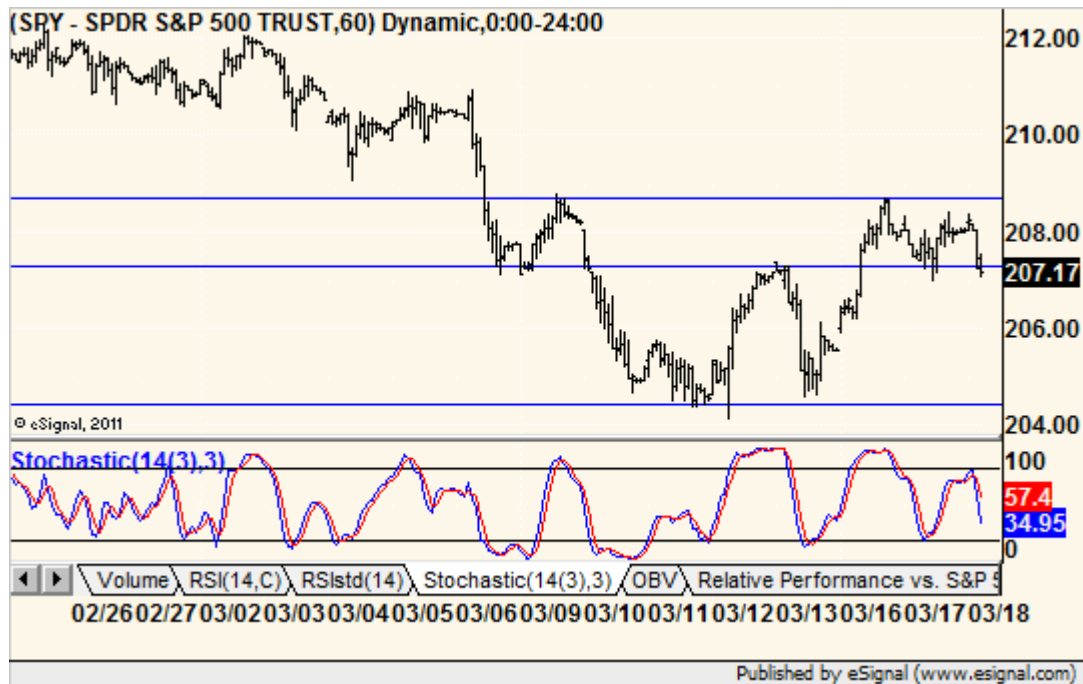


QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

MICHAEL KAHN
RESEARCH LLC

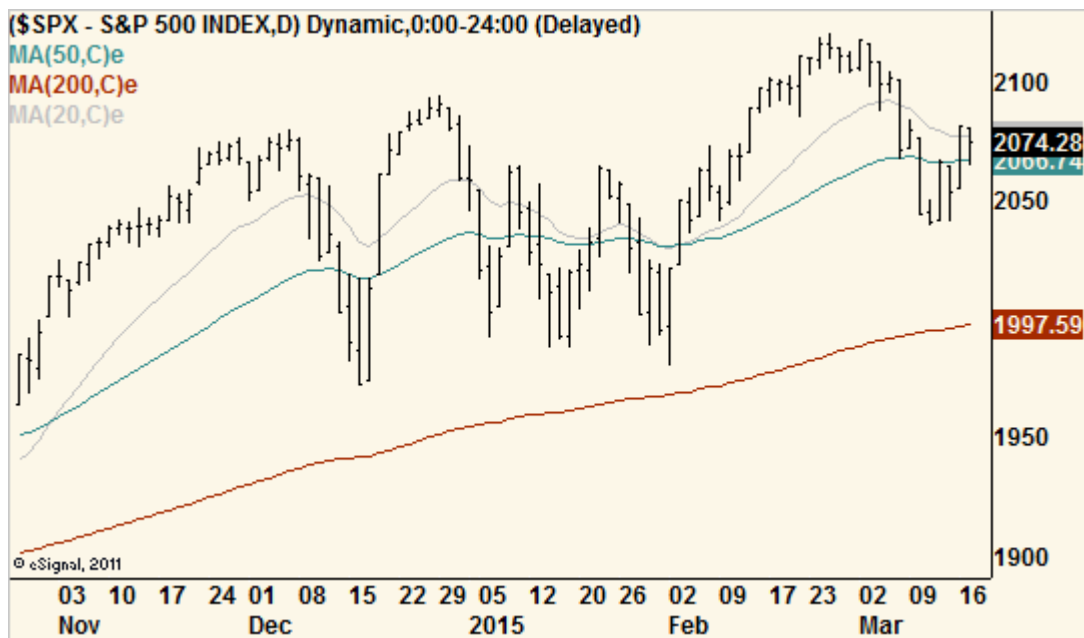
March 18, 2015 – Today's the day, the most important Fed speech (until the next one). We'll let you read the media where there is ample analysis available now, hours before the event. We think the technicals will tell us what to do at the right time as the hourly chart below shows. Those lines drawn a few days ago are rather impressive.



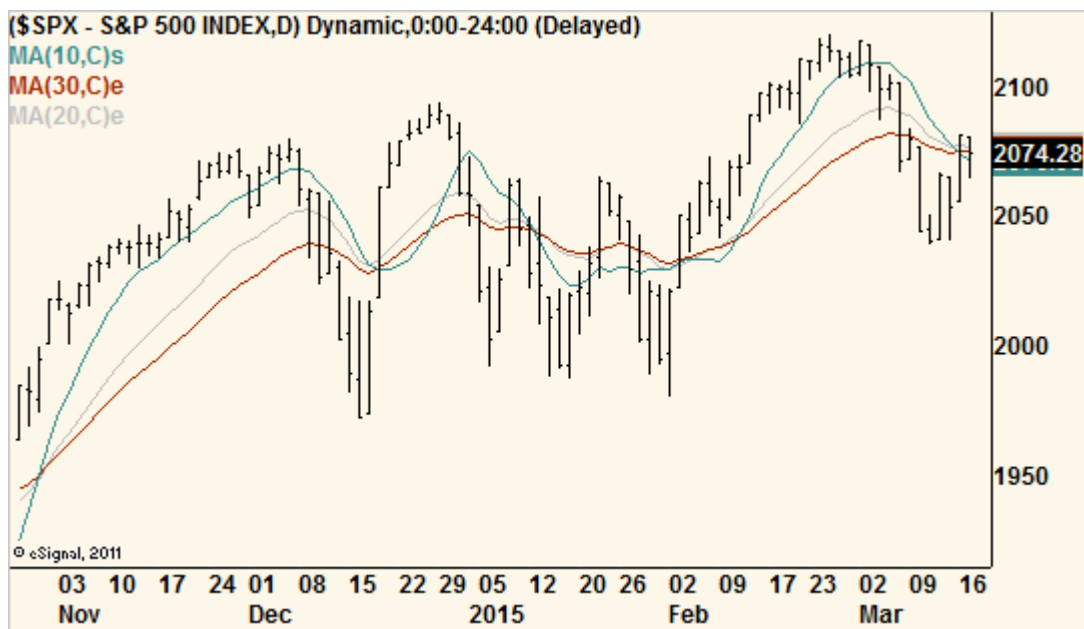
With the pre-Fed confusion, there were not a lot of themes. Only a new low in oil and a resultant breakout in the airline sector (driven by a gap up in **AAL**) was really interesting. **DD** dropped some more to drag chemicals lower. And we are still keeping an eye on financials and regional banks in particular which is holding nicely at resistance and looking for a breakout.

Today we have a few utilities that may be alive. A retailer ready to play catch up. And a real estate manager with a nice setup.

Index Charts of the Day



Since there is really nothing new to say about the “standard” charts before the Fed, here is the S&P 500 with 20-, 50- and 200-day exponential averages. It is still rather close to “proper order” for a rally with price above short above long average. The bias is still up although the Fed can spark a sell-off in the very short-term.



This is the index with the “bowtie” averages of 10-simple, 20-expo and 30-expo. These average form a bowtie shape at turning points but that is not why we are looking. Continuing the theme of the first chart, the short-term term condition is on the cusp. A selloff now will cause the short average to dip below the longer average and you can see the left half of the bowtie now. This is why we will not have many new stock picks today.

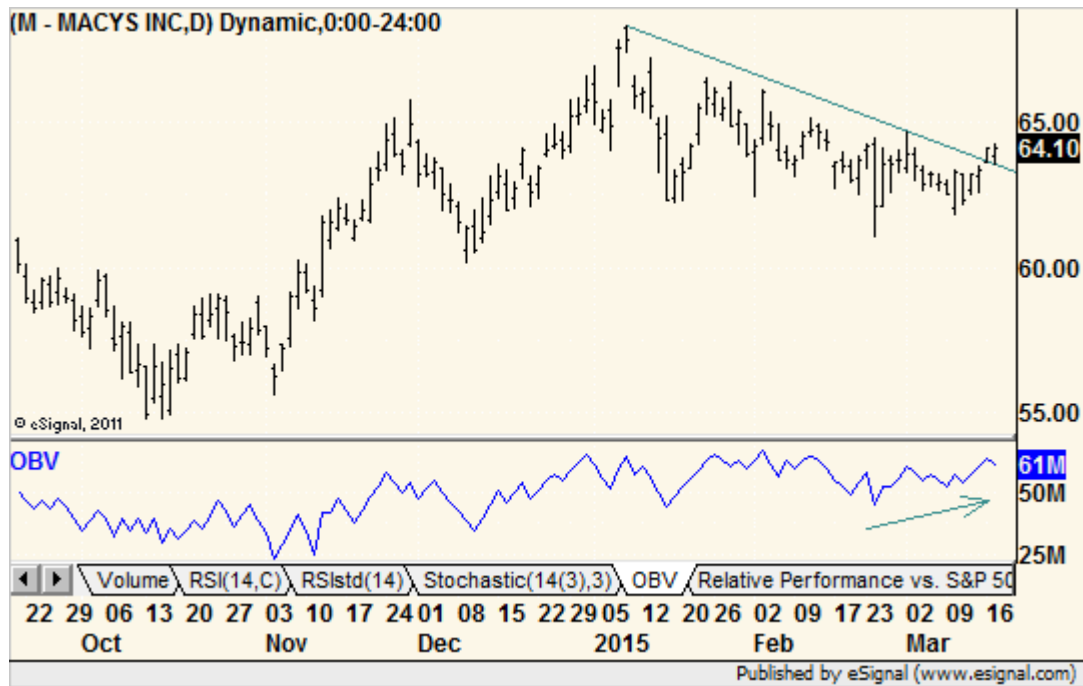
Note, in December there was a similar setup but a huge rally reversed the signal quickly. It is not perfect but averages never are.

The Radar Screen

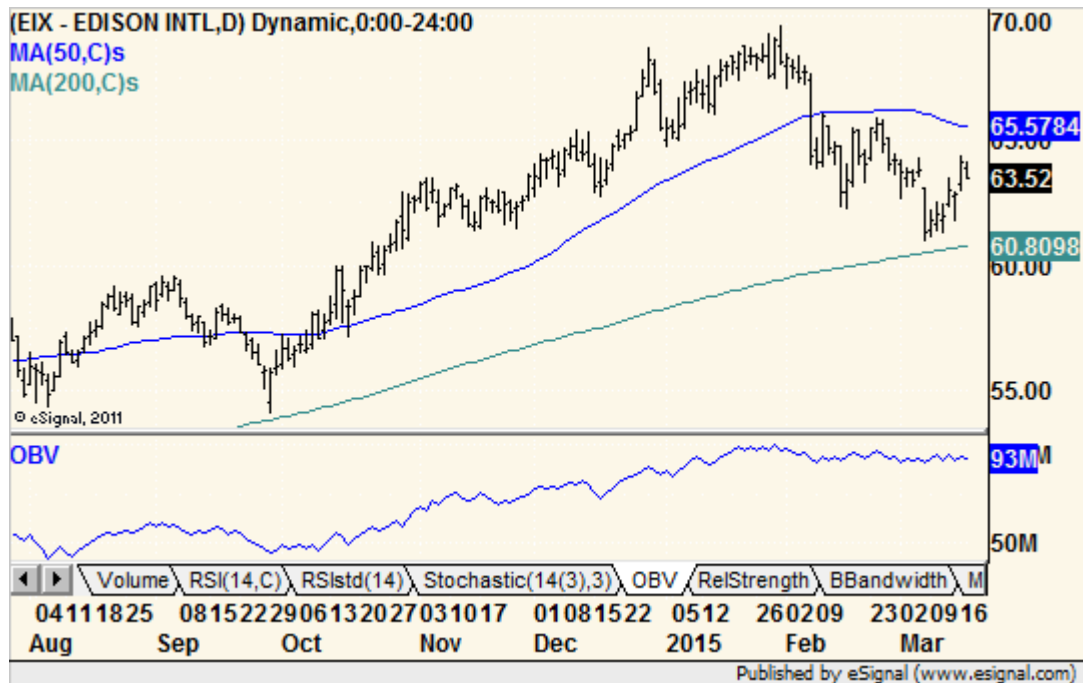
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
CBRE Group CBG – This real estate manager is poised for a nice breakout. The trend is up since 2011. Buy close over 35.25.	New	3/18
Bearish Implications		
Yahoo YHOO – Critical support on the chart is 42. Sell close below.		3/9
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
BP BP – Oil stocks are hurting in the short-term but look at the support below for BP. It has a 6.3% div yield now. Imagine what it will be down at 34 ¾.		3/12
Potash Corp POT – This fertilizer stock looks intriguing with a big dividend (ex-div April 9) and a big departure from the mean looking like it wants to snap back.		3/17
Macys M – Retail is a leader and Macys looks poised to catch up. However, we are going to wait a day for the Fed nonsense to clear the market.	New	3/18
Edison Intl EIX – We ran through the utilities average to look for any that have signs of life. This one has flat on-balance volume instead of falling and that is good. Also above its 200-day average. Waiting for a buy trigger to form.	New	3/18
Nisource NI – Here’s another utility with signs of life. Also above its 200-day average.	New	3/18
Public Service Enterprise PEG – And another utility. This one has <u>rising</u> OBV this month	New	3/18
Sector Watch (observations that may spark ideas)		
Retail XRT – leading the market		2/6
Technology XLK – no longer leading the market. Breakdown		2/12
Financials XLF – Has been leading the market recently. Possible breakout ahead		2/12
Semiconductors – Leading		2/25
Online brokers - Leading		3/9
Tobacco – We closed a long position just in time. This defensive sector is sinking fast but the chart break is due to PM . However, MO , RAI and LO are breaking from much stronger positions an offer big dividends. Circle back here in a week to see if there is opportunity.		3/12
Airlines – triangle patterns everywhere. A few breakouts		3/17
Updates		
China – Another day, another 2% gain		

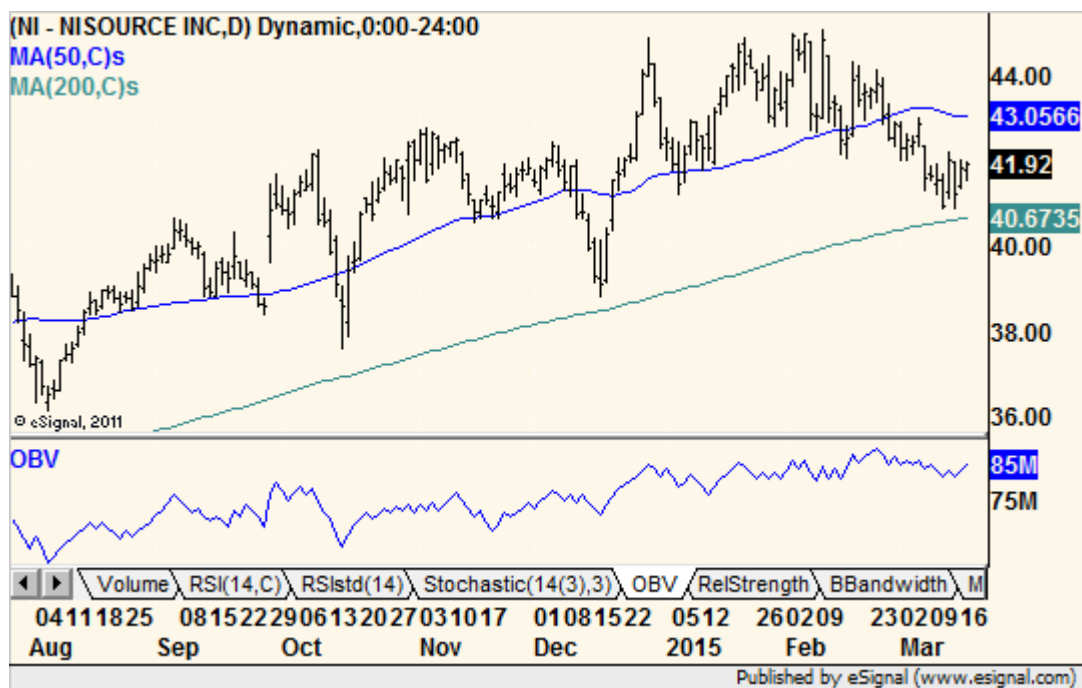
Market Highlights



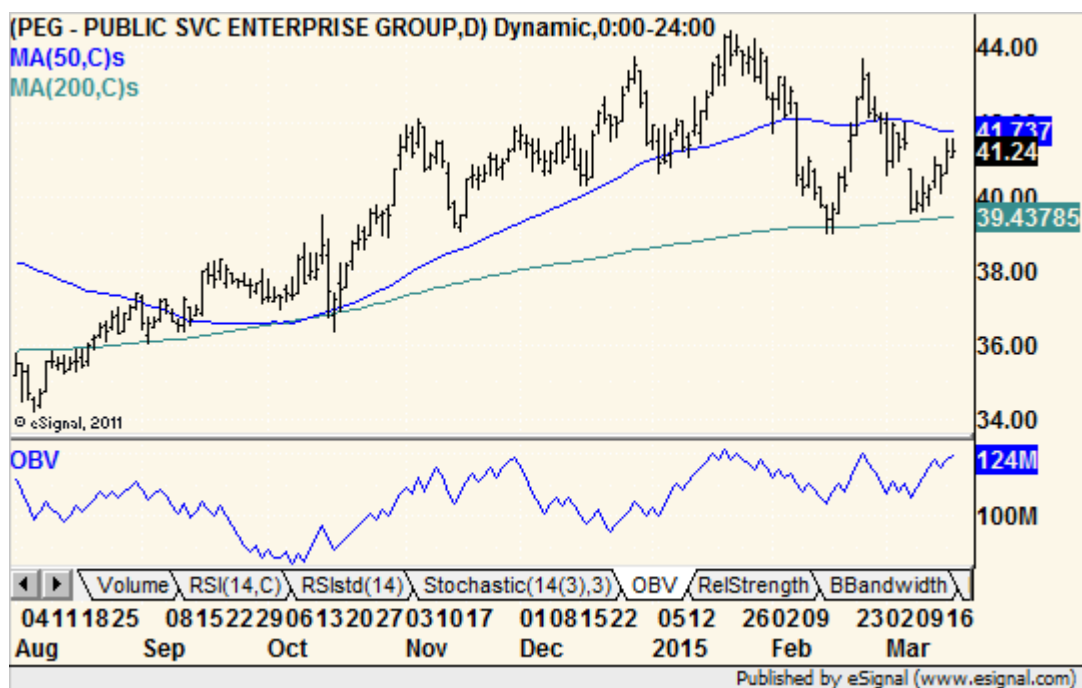
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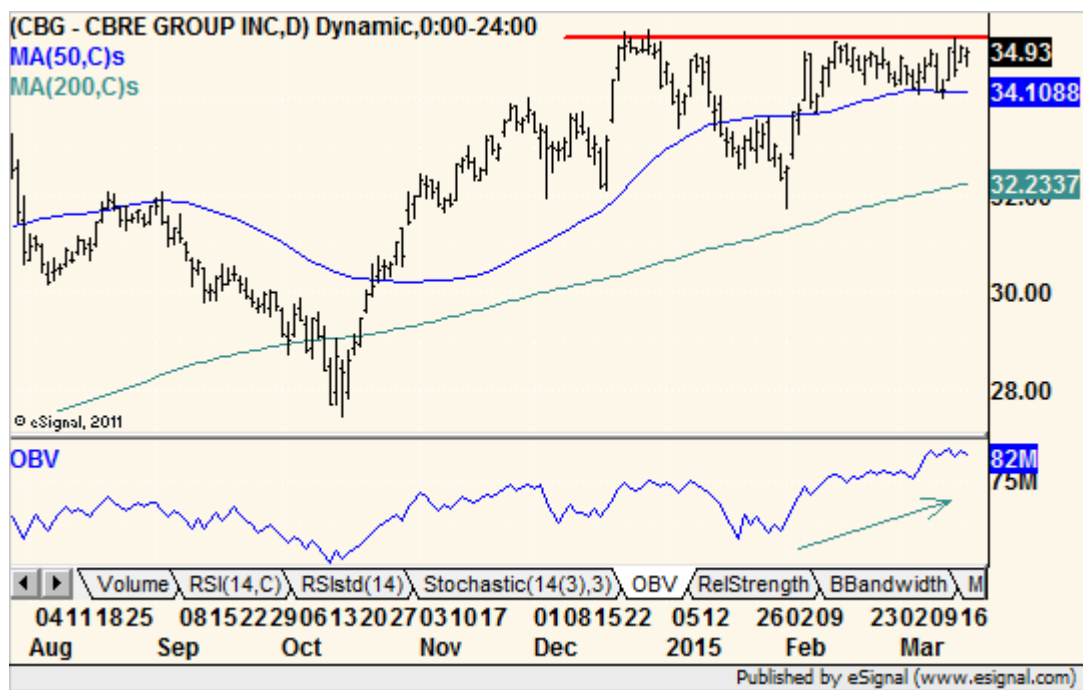
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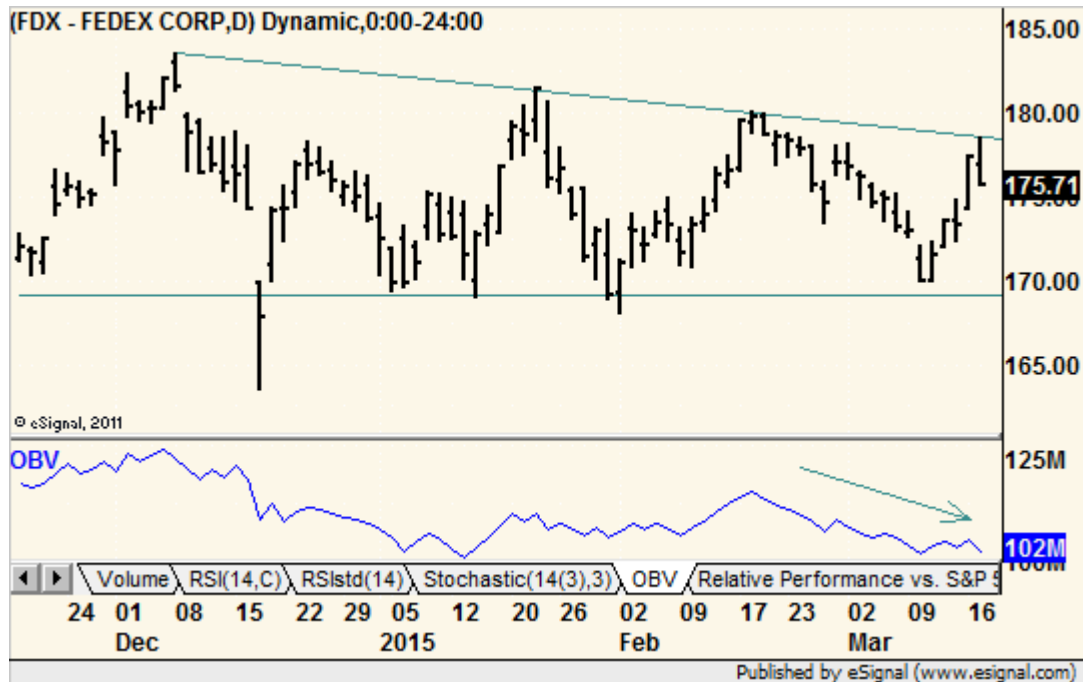


CBRE Group – This real estate manager is poised for a nice breakout. The trend is up since 2011. Buy close over 35.25.

Today's Lesson

In this section, we take a look at a topic in technical analysis in real-time, not textbook time.

You can't win them all



FedEx – Even though oil hit a new low, this air freight stock failed to hold on to gains and ended with a bearish reversal at resistance. On-balance volume continues to fall so this would be a good candidate for traders to sell right now. However, it is already down three points in the premarket so that will not work.

Now we wait to see if it breaks down below support where a bigger sell signal will be. We must assume support will hold until the stock proves otherwise so we cannot sell on the gap down open.

The moral of the story is that even when we find a really good setup it may just be too late.

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>	MAR	MARRIOTT INTL INC NEW	82.44	6.9%	81.00	77.13	2/11	34
	XLV	HEALTH CARE SELECT SECTOR SPDR	73.19	2.5%	71.50	71.43	2/19	26
	VAL	VALSPAR CORP	85.34	-4.9%	85.00	89.75	2/24	21
	AMAG	AMAG PHARMACEUTICALS INC	55.80	23.8%	53.00	45.07	2/25	20
	SUPN	SUPERNUS PHARMACEUTICALS INC	11.08	15.9%	11.00	9.56	3/5	12
	MYL	MYLAN N V	62.72	11.5%	60.00	56.26	3/5	12
	MCD	MCDONALDS CORP	96.17	-0.8%	94.50	96.91	3/10	7
	BBY	BEST BUY INC	41.64	4.2%	39.50	39.97	3/10	7
	GM	GENERAL MTRS CO	38.29	-0.4%	37.50	38.43	3/12	5
	WMT	WAL-MART STORES INC	82.62	-0.8%	80.00	83.29	3/16	1
	ETFC	E TRADE FINANCIAL CORP	28.38	0.5%	27.25	28.25	3/16	1
<u>Short</u>	PG	PROCTER & GAMBLE CO	82.85	2.0%	84.00	84.50	3/5	12

Notes: Raised stop in **MYL**. Also nudged up the stop in **ETFC**.

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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