

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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RESEARCH LLC

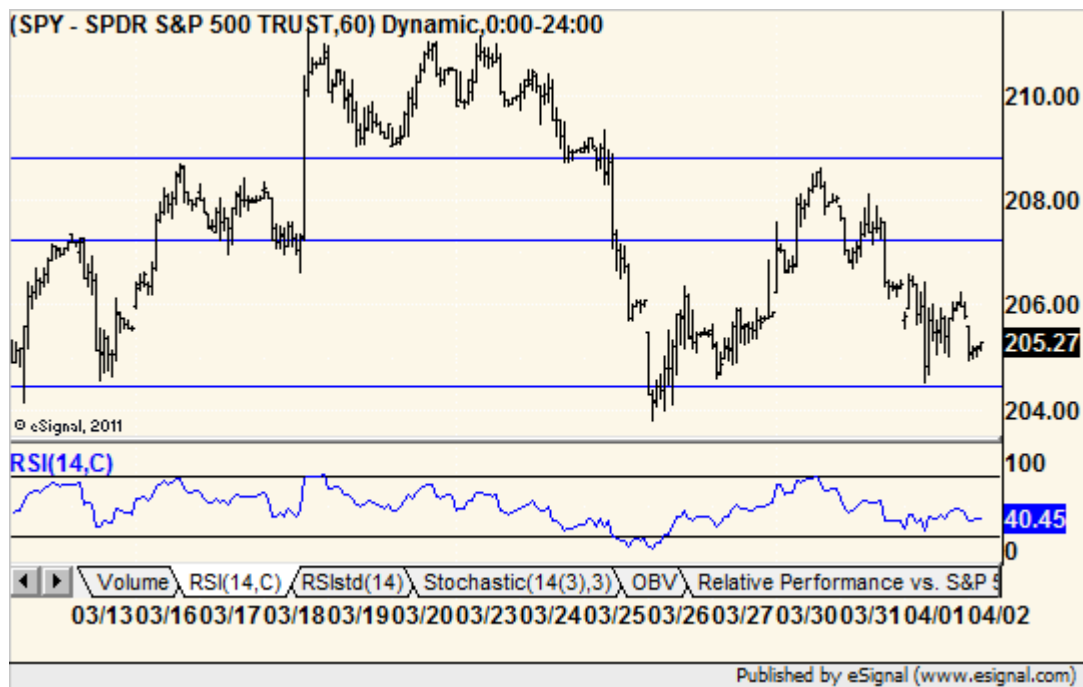
April 2, 2015 – The April Fool's joke yesterday was trying to figure out what the market will do with the economic report of the day. Wasn't it just last week that the hint of rising rates thanks to a stronger economy was bad for the market? Yesterday, private-sector job gains came in weaker than expected and ISM manufacturing came in with a larger-than-forecast drop, all suggesting the U.S. economy is weakening.

Uh, that means the Fed will not move sooner and will wait until later. Was it an investor confidence thing?

And today, the two bits of news out premarket were rather good. This is one manic market in one manic economy. That's why we are not making any bold moves ahead of this long weekend.

Yesterday was bad but let's dig a little. The NYSE advance-decline ended with a positive 90. And there were 77 new 512-week highs vs. 30 new lows. If we did not see the final price close then we'd have to think it was a pretty good day for stocks based on the breadth data.

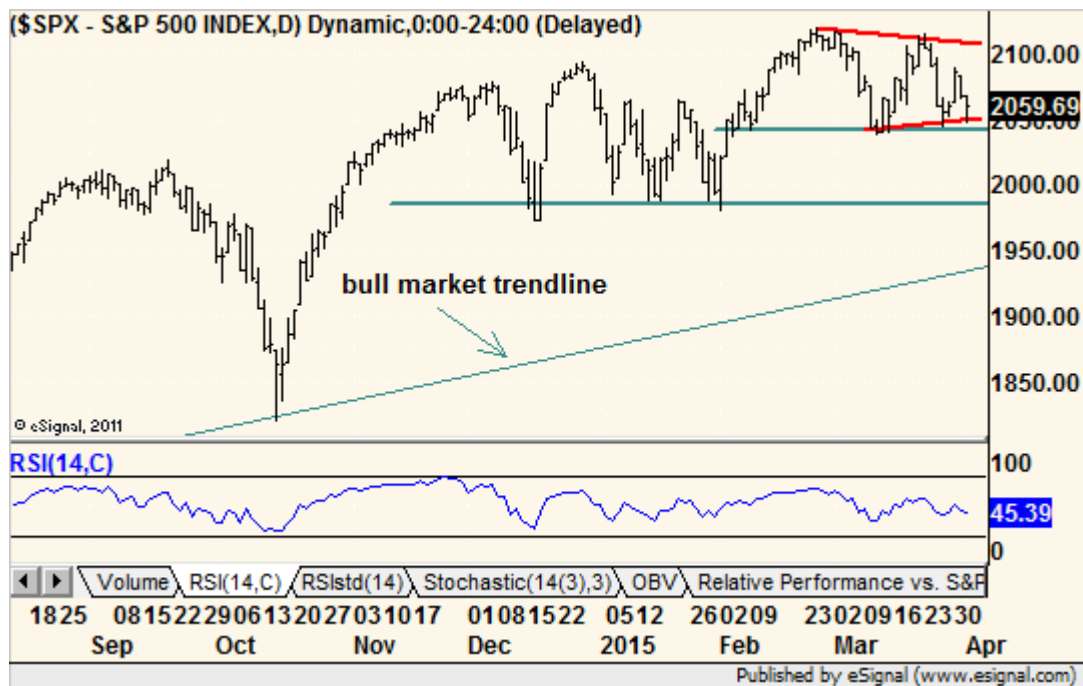
On the negative side, bonds were up big and gold was up, too, with a rather flat dollar. Risk-off. Same with the junk to quality corporate bond ratio. OK, it was a mixed day on Wall Street. But prices sure fell a lot. One of my Twitter followers said too many people got too frightened too quickly and that is a contrarian positive sign.



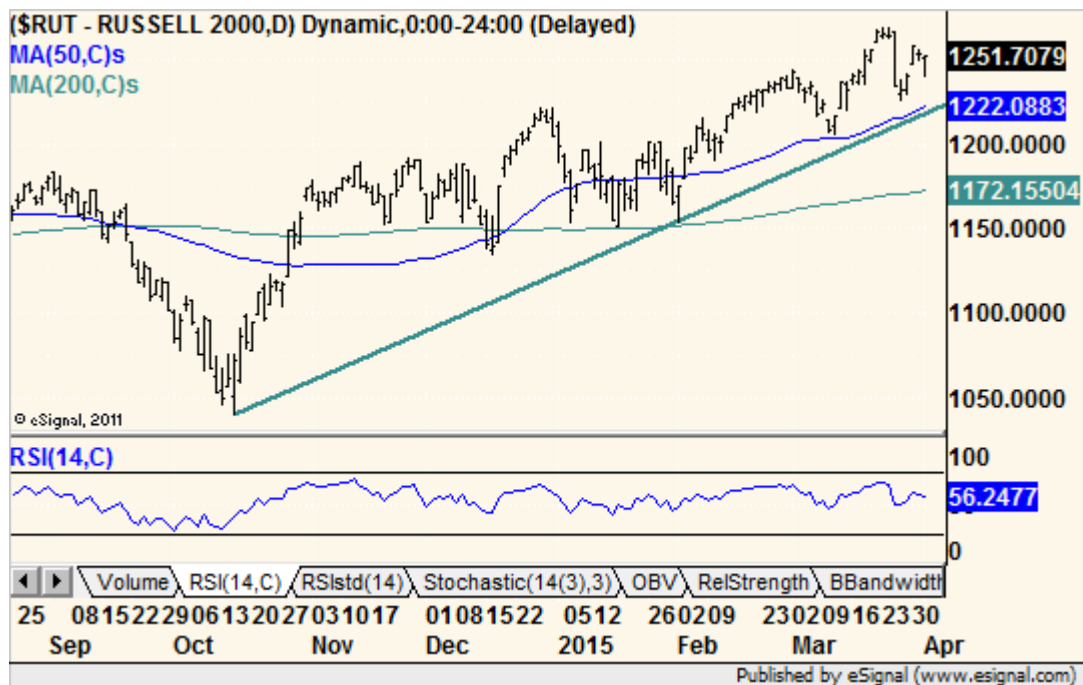
Just yesterday, we said that the killer support and resistance lines that worked so well in march were getting fuzzy. Looking at this chart today, maybe not. We see the risk to the upside here (after the weak open) but are fully aware that the lower support line here is the last straw before a rather sizeable down draft. The daily charts will show you where.

Schedule – No newsletter Friday, April 4 as the markets are closed for Good Friday. Enjoy your time off with family and friends.

Index Charts of the Day



The S&P 500 index shows the downside target equivalent from the **SPY** hourly chart in the top section of this report. If the triangle or support line is broken, there is room to the next major support. But for now, it is all still a correction in a bull market.



Not for nothing but the Russell 2000 closed flat on the day and the **IWM** ETF actually closed green. There is some wobble room here but the trend is still up.

The Radar Screen

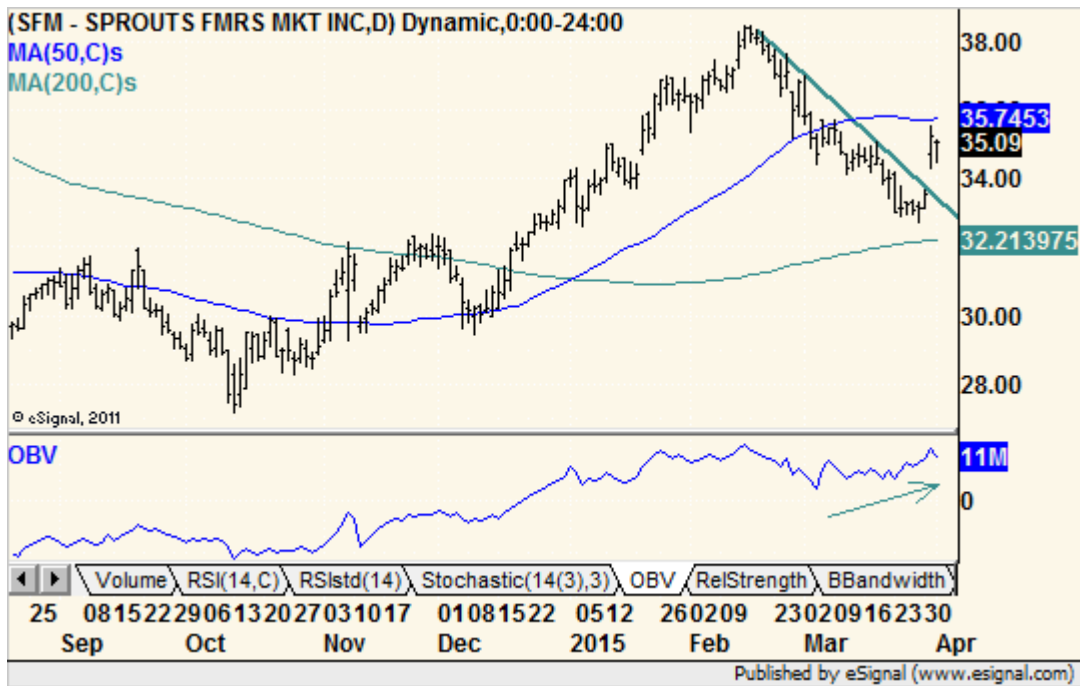
This is a list of potential opportunities, not a recommended portfolio. Underlined text is a change from previous report and if important it will be highlighted in yellow. If and when stocks give buy or sell signals here, they then move into the Advice Tracker section below. Dates listed are first appearances 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		
Navios Maritime NM – Here is a dry shipper looking to come out of a base. Unfortunately, it has fallen quite far from the breakout point so we will move on.	Removed	3/23
Nabors NBR – We had this as a Subscriber Corner stock so now we are making it official. Buy the base breakout with a close above 14.00.	Triggered	3/31
Chicago Bridge and Iron CBI – Looks like a bottoming pattern with trend break, pause and secondary break. Super low P/E. Buying.	Triggered	4/1
HR Block HRB – Already below both major averages. Sell a close under support 31.50. <u>Up two days in a row on weak markets. Starting to lift off support so we flip to bullish and will by now.</u>	Moved	3/31
Bearish Implications		
Bed Bath and Beyond BBY – Another sell candidate on a support break. Already under a rolling-over 50-day average and sports falling on-balance volume. Sell close under 73.60.		3/30
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
BP BP – Just waiting for a drop to support and drooling over that huge dividend		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. Letting it dip to support and hope it happens in time to capture the dividend.		3/17
Viacom B VIAB – Strong on-balance volume suggests this will break trendline.		3/25
Keurig GMCR – A stock on precipice. It has a moving average death cross last month. Look for a bounce off support line and then a breakdown to sell.		3/30
Standard Pacific SPF – This homebuilder is the embodiment of a stock in a strong group that is just making its move to catch up. A trendline breakout, test and resumption of the rally. On-balance volume high a new high. Buy the dip.		3/30
General Mills GIS – This cereal maker was already on the move before corn was crushed yesterday. This is a nice breakout but it is a bit overbought. Buy the dip. May have already given that dip intraday.		4/1
Illinois Tool Works ITW – Just a stock on bear watch with falling on-balance volume and stalled rally.		4/1
Briggs & Stratton BGG – This small engine maker looks encouraging with a big base and rising on-balance volume. Waiting for it to get closer to resistance.		4/1
Sprouts Farmers Market SFM – This is an organic foods retailer in competition with WFM. The chart has a breakout with on-balance volume already nearing its old high. Investor's Business Daily had this on a list of good earnings stocks to weather a correction. We'll watch a day.	New	4/2
Silicon Motion Technology SIMO – A Charles Payne semiconductor pick. We like the bull flag with clear breakout point at the 50-day average. Rising stochastics bottoms as prices fell are also bullish. Waiting a day.	New	4/2

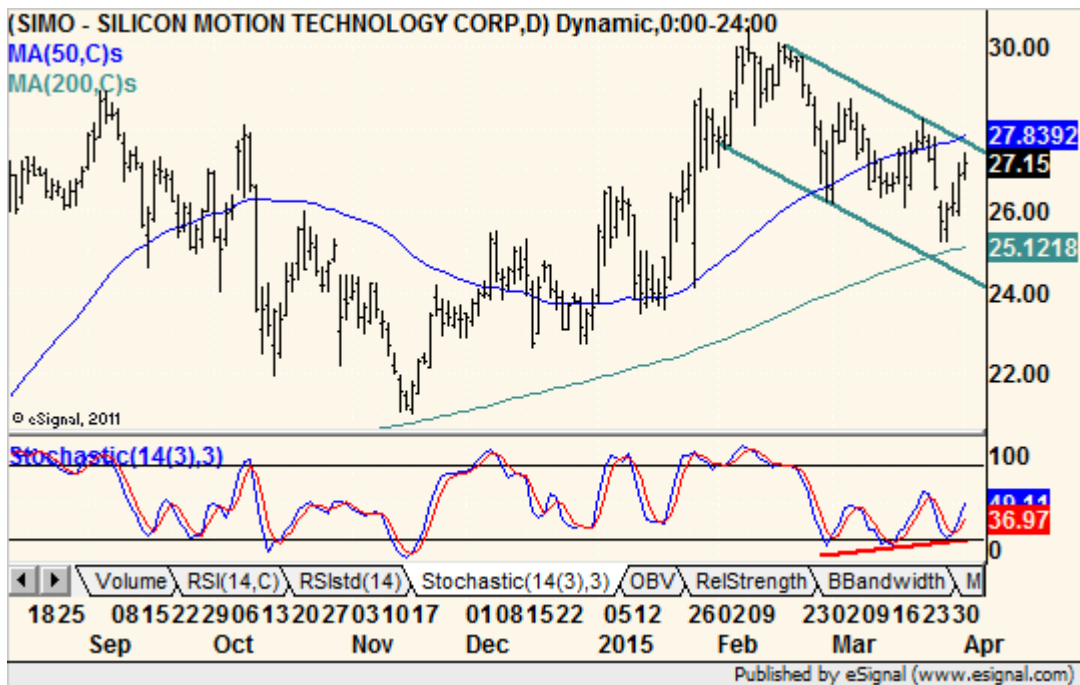
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Sector Watch (observations that may spark ideas)		
Marine Shipping Index SHX – Possible double bottom with rising RSI. Close to a 50-day average breakout. Check out dry shippers NM, DRYS, DSX, VLCCF		3/20
Homebuilders – ITB ETF successfully tested long-term breakout		3/20
Semiconductors – nice rebound. Bullish		3/30
Biotech – A bit more downside than we expected. Still above the 50-day average	Changed	3/30
Broadcasting – watching support		3/31
Specialty Chemicals – Bounced off major support. Check out bull flags in ECL and IFF . CBT possible catch-up candidate.		3/31
Updates		
none –		

Market Highlights



Sprouts Farmers Market – This is an organic foods retailer in competition with **WFM**. The chart has a breakout with on-balance volume already nearing its old high. Investor’s Business Daily had this on a list of good earnings stocks to weather a correction. (BTW – **REGN** now stopped out from the Advice Tracker is on this list). We’ll watch a day.



Silicon Motion Technology – A Charles Payne semiconductor pick. We like the bull flag with clear breakout point at the 50-day average. Rising stochastics bottoms as prices fell are also bullish. Waiting a day.

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>	MCD	MCDONALDS CORP	96.29	-0.6%	95.00	96.91	3/10	22
	WMT	WAL-MART STORES INC	80.71	-3.1%	80.50	83.29	3/16	16
	YHOO	YAHOO INC	44.13	-1.9%	43.50	44.98	3/19	13
	FWM	FAIRWAY GROUP HLDGS CORP	6.70	8.9%	6.40	6.15	3/30	2
	REGN	REGENERON PHARMACEUTICALS	440.00	-4.1%		459.05	3/30	2
	FB	FACEBOOK INC	81.67	-2.6%	80.00	83.81	3/30	2
	NBR	NABORS INDUSTRIES LTD	14.08	0.0%	13.25	14.08	4/1	0
	CBI	CHICAGO BRIDGE & IRON CO N V	47.86	-2.3%	45.50	49.01	4/1	0

Notes: Stopped out of **REGN** as it looks like we bit too early. Currently at support where we would entertain buying again. However, we are not going to throw good money after bad until this is proven.

Two new longs – **NBR** at the close and **CBI** at the open. The former looks nice. The latter fell to start us off in a hole but it is still OK looking.

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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