

QUICK TAKES PRO

"TECHNICAL ANALYSIS FOR EVERYONE"

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April 17, 2015 – We get in this morning and see China jumped 2.2% on a gap. Wow! And then we got to the domestic headlines – “Futures tumble after China regulatory news.” Wait, what? New rules making short selling easier sent China tumbling after hours and that dragged Europe and the West down with it. It probably did not help that Bloomberg terminals worldwide went down at about the same time.

But before we panic, take a look at the hourly chart, which we can only describe as magic.



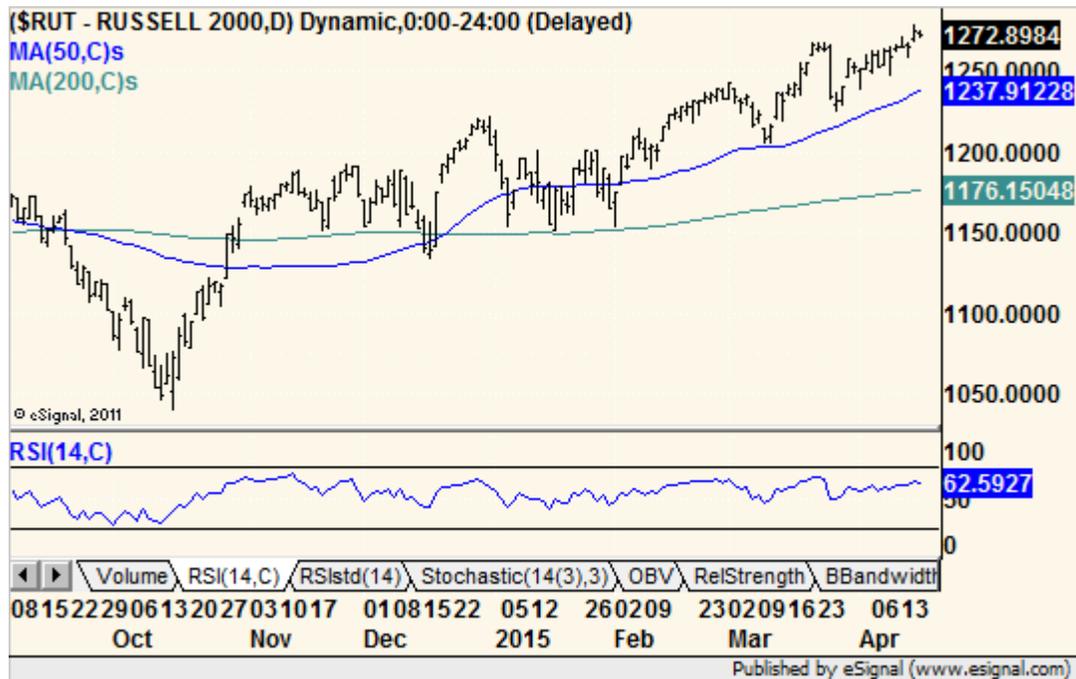
Yesterday, we said we thought the red line would hold and it did - until overnight. Take a look at resistance, which worked perfectly. And now the **SPY** sits on support. We are not so confident that it will hold but in this bull market our morning gap down opens are often erased right away. But either way, we are not going to look to add to positions until we know if this is a speed bump or the start of a bigger dip. And if the latter, look at all that support below. We will still sleep well tonight based on what is on the chart now.

Other than the overnight drop, we still see a new high in the advance-decline, participation from more sectors and aside from today a global rally in progress. Perhaps we can ease off the gas pedal here but it still looks pretty good.

Index Charts of the Day



No breakout and based on the premarket a dip is coming. But the whole pattern is still sideways.



While we recognize that all bear markets start at new highs this chart shows really nothing sinister at all.

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		
SAP – Software stock in a nice pennant formation with rising on-balance volume. Already has a resistance and 200-day average breakout. Buy pennant break at 73.70		4/16
Bearish Implications		
Keurig GMCR – A stock on precipice. It has a moving average death cross in February. Now that it bounced we will sell under 111.		3/30
Williams Sonoma WSM – Weakening retail. A break of the 50-day average with falling on-balance volume. Sell close under 77.00.	Moved	4/10
Unknown Implications		
none –		
Holding Tank - red shade leans bearish, green shade leans bullish		
Standard Pacific SPF – Change of plan. Volume on the dip was very heavy and while it scored a hammer candle on the 50-day average we are not so sure anymore. Must close above 8.80 to get back in the running.	Changed	3/30
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
Sector Watch (observations that may spark ideas)		
Specialty Chemicals – Lots of breakouts		3/31
Shale Oil –Lots of breakouts		4/6
Oil Explorers/producers – Lots of breakouts		4/6
Heavy Construction – FLR, MTRX Lots of breakouts		4/7
Consumer Discretionary ETF XLY – Triple top or continuation rectangle		4/10
Aerospace/Defense – stronger sector. BA has a bull flag.		4/10
Software – watching DJ index for a trend break higher SAP, MSFT, CTXS, AZPN		4/13
Restaurants – DJ index sports rising on-balance volume and rising trend.		4/13
Updates		
none –		

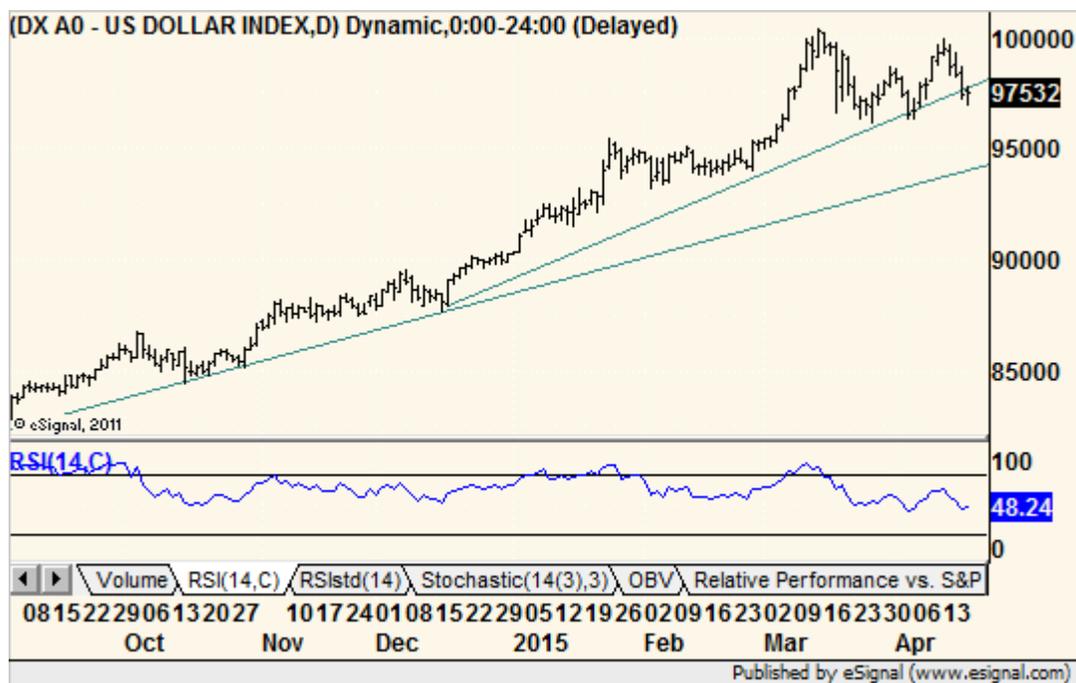
Market Highlights



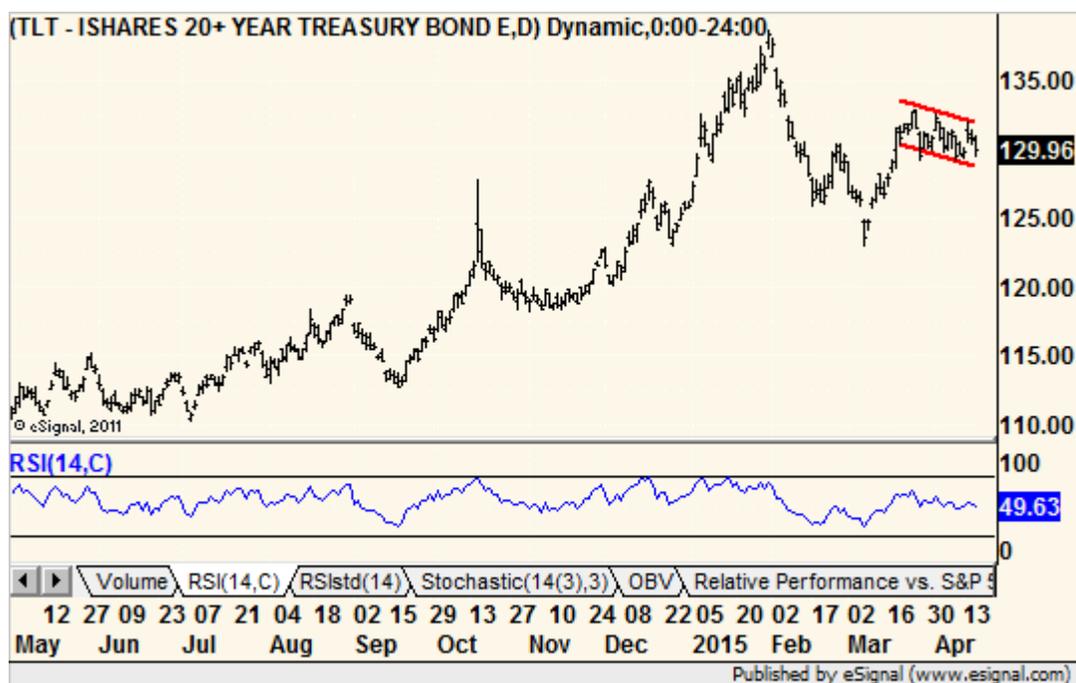
Crude Oil – Nice bottoming pattern with room to the 200-day average in the upper 60s.



Gold – This weekly chart is not ready for prime time but it does look to be a forgotten market. That suggests it is more likely to go up at some point. Just not now.



US dollar index – Looks like it needs more sideways action before resuming its rally.



T-bonds – We see patterns but they don't make much sense in proportion, position and size. We'll keep this one on hold for now.



Commodities ETF – Now flirting with the 50-day average. Everyone gave up on commodities but this is not so terrible. No buy signal yet.



Copper – Not bad short-term but still in a long-term bear. Dr. Copper approves of the economy?

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	96.37	-0.6%		96.91	3/10	37
	YHOO	YAHOO INC	45.78	1.8%	43.50	44.98	3/19	28
	FB	FACEBOOK INC	82.31	-1.8%	80.00	83.81	3/30	17
	NBR	NABORS INDUSTRIES LTD	15.33	8.9%	14.75	14.08	4/1	15
	CBI	CHICAGO BRIDGE & IRON CO N V	51.38	4.8%	49.00	49.01	4/1	15
	HRB	BLOCK H & R INC	32.01	-0.8%	31.50	32.26	4/2	14
	SIMO	SILICON MOTION TECHNOLOGY	34.09	22.9%	32.00	27.74	4/7	9
	HP	HELMERICH & PAYNE INC	75.78	5.3%	73.00	72.00	4/8	8
	JEC	JACOBS ENGR GROUP INC DEL	47.76	4.1%	46.00	45.90	4/9	7
	FEYE	FIREEYE INC	42.01	0.3%	41.00	41.90	4/14	2
	PM	PHILIP MORRIS INTL INC	84.96	8.8%	82.00	78.11	4/14	2
	ABB	ABB LTD	21.97	0.8%	21.25	21.80	4/14	2
	GILD	GILEAD SCIENCES INC	103.34	1.0%	100.00	102.34	4/14	2
	XOM	EXXON MOBIL CORP	87.73	1.3%	85.00	86.63	4/14	2
	VIAB	VIACOM INC NEW	70.91	0.7%	68.00	70.45	4/14	2
<u>Short</u>	none							

Notes: **SIMO** keeps on giving, Stop raised.

Nice pop in **PM**. Stop raised.

Sold **MCD** at the open Thursday as it was just not doing anything.

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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